



Striving for ►

Sustainable Livelihoods
Quality Education

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Acknowledgements

The Annual Report of Dr. Reddy's Foundation for 2007-08 profiles its various interventions in the fields of livelihood generation and education during the year. It also carries an extract of the findings of a Social Audit conducted in the latter half of 2008, with a view to reporting accurately on its programs, acquiring a clearer understanding of its core values and objectives, and stimulating a more open internal and external appraisal.

Poverty Learning Foundation has, through its exhaustive post-placement survey in the sample states of Andhra Pradesh, Bihar, Haryana, Madhya Pradesh and Tamil Nadu, helped us get a good idea of how our LABS programs are perceived by the alumni, their employers, parents and neighbours.

In the education sector, we have sought the views of the beneficiaries of our two major initiatives under the School-Community Partnership in Education (SCOPE) - YUVA : Youth Learning Centers and Transit Education Centers as well as other stakeholders, communities and implementing personnel.

A copy of the Social Audit Statement 2008 issued by Social Audit Network, UK, is also included in this document.

We are thankful to our stakeholders for giving us their valuable insights and observations, thereby enabling us to understand how our programs have been working, what impact they have made, and what more can be done to improve their effectiveness and extend their reach. There is much to be satisfied about, and much to be learnt from these views. For DRF, this Annual Report is an exercise in self-appraisal, with the assistance and guidance of those who have a stake in the success of its social programs. Their suggestions for improvement are always welcome.



Towards an Inclusive Society



Dr. Reddy's Foundation is driven by a firm belief in the inherent motivation and capacity of the human being for progress, given the appropriate and adequate environment. The Foundation acts as a catalyst of change that develops and promotes initiatives at individual, group and organization levels to achieve sustainable development.

DRF innovates and tries out novel concepts that are refined and scaled up to cover larger groups of disadvantaged populations. Seeing the possibilities rather than the problems created by change, DRF engages in a process of continuous adaptation and learning.

DRF's interventions span two broad areas of operation:

Livelihoods

We strive to create, implement and disseminate sustainable and replicable livelihood models through partnerships.

Education

We strive to provide various opportunities for learning to those who have never been to school, or have dropped out of it; it also works to improve the quality of education in schools.

The values we are driven by...

- Quality consciousness
- Process orientation
- Focus on marginalized sections of society
- Transparency
- Respect for the individual
- Cost consciousness



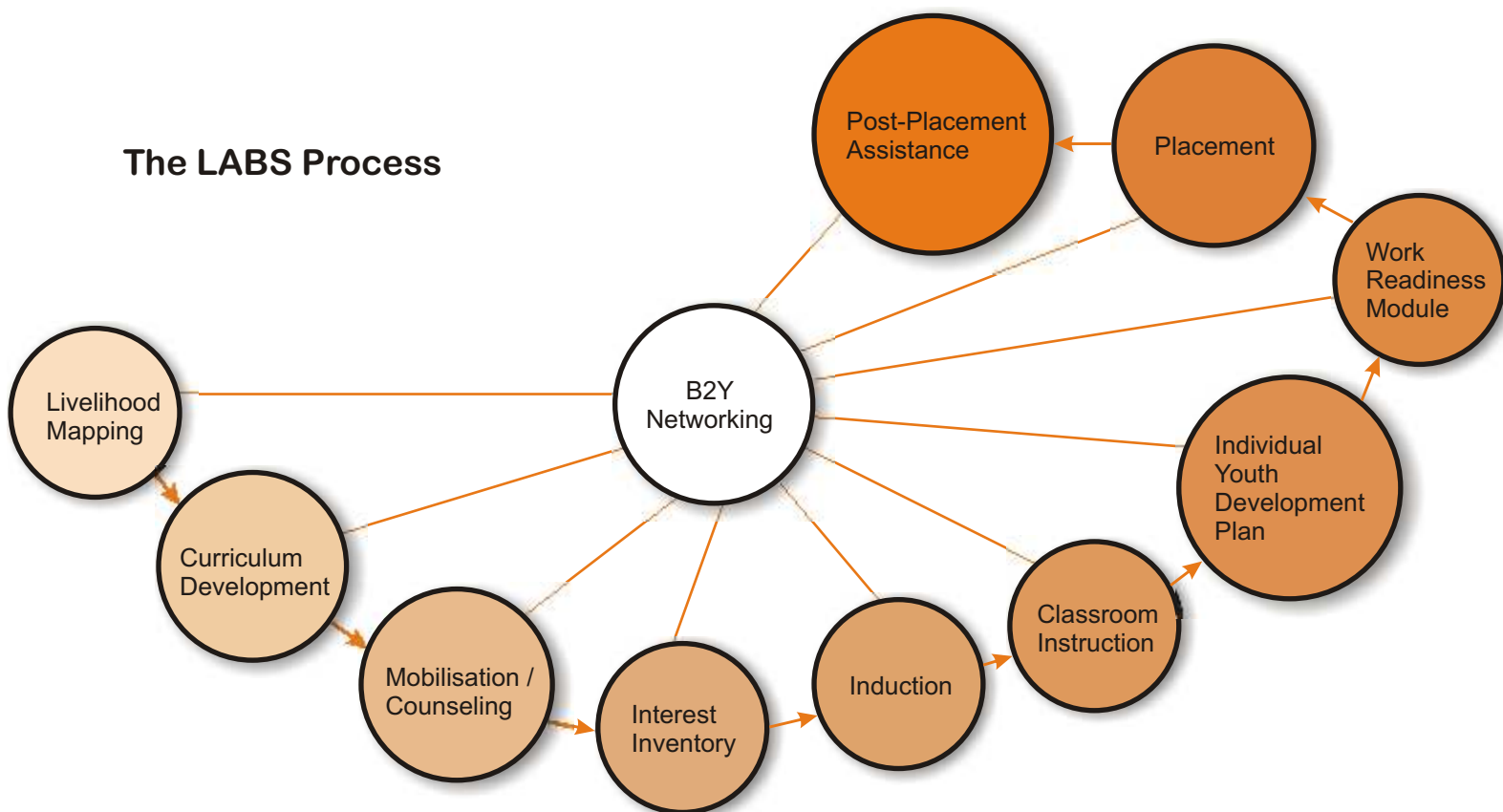
Livelihood Advancement Business School

Livelihood Advancement Business School (LABS) the flagship program of DRF, addresses the needs of youth who are constrained by low income levels, inadequate skills, irregular employment, absence of opportunities for training and development, indebtedness and little bargaining power at the economic / social level.

To enable these youth to gain a foothold in the competitive job market, LABS gives them technical and life skills in an environment of interactive learning and mentoring that develops their inherent capabilities. The technical inputs are demand-driven, and prepared in consultation with industry experts. The aspirants are also taught Communicative English, to help them improve their public speaking and workplace-related interaction. Through a Work Readiness Module, they are prepared to handle workplace responsibilities.

Some of the domains taught under the vocational training programs of LABS include IT-Enabled Services, Business Process Outsourcing, IT Essentials, Automobile Mechanism, Multi-Skilled Technician, Bedside Patient Assistance, White Goods Servicing, Customer Relations & Sales, Hospitality, Micro-Irrigation, Machine Operations and Pre-Primary Teacher Training.

The LABS Process



The LABS Impact

The assistance provided to individual aspirants has led to larger benefits to their respective communities, such as reduced indebtedness, increased local area spend, improved education levels, and reduced gender inequality.

Operational across India, the LABS model has catalyzed citizen-community-corporate partnerships towards creation of replicable livelihood models, and helped redefine ways of streamlining government poverty alleviation programs.



LABS Scorecard : 2007-08

A total of 42064 livelihoods were generated by LABS in 2007-08:

▶ With Government of India	16403
▶ With State Governments	23854
▶ With corporates / NGOs	1807
Total	42064

Government Partnerships

With Government of India

Grameen LABS (Ministry of Rural Development)

▶ Andhra Pradesh	2324
▶ Bihar	3959
▶ Gujarat	1045
▶ Haryana	908
▶ Himachal Pradesh	617
▶ Kerala	654
▶ Madhya Pradesh	652
▶ Orissa	620
▶ Rajasthan	2285
▶ Tamil Nadu	1919
▶ Uttar Pradesh	1279
▶ West Bengal	141
Total	16403

With State Governments

Government of Andhra Pradesh

▶ IKP LABS (with Employment Generation & Marketing Mission)	10281
▶ IKP-Urban UPADHI LABS (with Mission for Elimination of Poverty in Municipal Areas)	8022
▶ CDMA LABS (with Commissioner & Director, Municipal Administration)	4084
▶ Maarpu LABS (with Department of Youth Services)	465
▶ GVMC LABS (with Greater Visakhapatnam Municipal Corporation)	550
Total	23402

Government of Tamil Nadu

▶ TP LABS (with Tsunami Emergency Assistance Project)	114
▶ Corporation LABS (with Corporation of Chennai)	224
Total	338

Government of Bihar

▶ Jeevika LABS (with Bihar Rural Livelihoods Promotion Society)	114
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Corporate Partnerships

▶ CII-Yi LABS (with CII, Young Indians)	278
▶ Firstsource LABS (with Firstsource)	415
▶ MFG LABS (with Mineral Foundation of Goa)	108
▶ Kotak LABS (with Kotak Education Foundation)	134
▶ AeA LABS (with Aide et Action)	699
▶ Telecom Training Academy (with Tata Communications)	173
Total	1807



Strength from Synergy

In partnership with Government of India, various State Governments and corporates / NGOs, DRF has set up several LABS projects across India. Brief profiles of these partnerships are given below:

Government Partnerships

Grameen LABS

Ministry of Rural Development, Government of India

Funded by the Ministry of Rural Development, Government of India, under the Swarnajayanti Gram Swarozgar Yojana (SGSY) for creating rural livelihoods, the Grameen LABS project was initially piloted in six states in India: Bihar, Gujarat, Jammu & Kashmir, Rajasthan, Tamil Nadu and Uttar Pradesh. Patterned on the pilot program, the Grameen LABS project is now being scaled up across several other states in India.



IKP LABS

Employment Generation & Marketing Mission, Government of AP

Set up by the Government of AP to address unemployment among economically / socially disadvantaged youth in a public-private partnership mode, EGMM is the implementing agency for the jobs component of Indira Kranthi Patham (IKP), a World Bank-funded project in association with Society for Elimination of Rural Poverty. DRF runs IKP LABS centers in AP in partnership with EGMM, which provides infrastructure by way of LABS centers and classroom amenities.



IKP-Urban (UPADHI) LABS

Mission for Elimination of Poverty in Municipal Areas, Government of AP

In accordance with the objectives of the Swarna Jayanti Shahari Rozgar Yojana (SJSRY) of Government of India and Rajiv Udyog Sri of the State Government, MEPMA seeks to eliminate poverty in municipal areas by providing placement-linked skill training and self-employment opportunities. In partnership with MEPMA (which merges the activities of the erstwhile APUSP and CDMA), DRF runs IKP-Urban (UPADHI) LABS programs in the various municipalities of the state.



Maarpu LABS

Department of Youth Services and APSTEP, Government of AP

In partnership with the Department of Youth Services and AP Society for Training and Employment Promotion (APSTEP), DRF operates Maarpu LABS centers across several districts in the state. APSTEP coordinates the activities of various institutions, individuals, departments and banks involved in the implementation of the Maarpu LABS program. It provides DRF with necessary resources and infrastructure support, as well as assistance in reaching beneficiary communities.



SHG LABS

West Bengal State Rural Development Agency

To assist rural Self Help Groups (SHGs) in West Bengal in marketing their products effectively, the State Government and DRF have come together to give them requisite skills training in entrepreneurship, rural retailing, packaging & branding, customer management, life skills, computer basics and Communicative English. The West Bengal State Rural Development Agency (WBSRDA) assists in the identification and mobilization of the beneficiaries under the project. After undergoing the training program, the SHGs are also assisted in obtaining necessary market linkages and technical knowhow.





Strength from Synergy

...Government Partnerships

SGSY-NABARD LABS

MoRD - National Bank for Agriculture and Rural Development

Under a special project of Swarnajayanti Gram Swarozgar Yojana (SGSY) of the Ministry of Rural Development, Government of India, the SGSY-NABARD LABS program is being implemented in Sultanpur and Rae Bareilly Districts of Uttar Pradesh, with a target of 7500 livelihoods in each district.

The monitoring agency for the project is NABARD, Lucknow.



GVMC LABS

Greater Visakhapatnam Municipal Corporation

Under an MoU with the Greater Visakhapatnam Municipal Corporation, the GVMC LABS project has been undertaken in Visakhapatnam (Andhra Pradesh), with a target of generating 1000 sustainable livelihoods.



Corporation LABS

Corporation of Chennai

In partnership with Corporation of Chennai, DRF delivers livelihood training to 360 high school and higher secondary school students in the city. Corporation of Chennai supports the program through mobilization drives and road shows in the target communities, as well as by providing necessary infrastructure for the LABS centers. The scope of the partnership is being expanded to reach greater numbers of underprivileged youth.



Jeevika LABS

Bihar Rural Livelihoods Promotion Society

In association with Bihar Rural Livelihoods Promotion Society, DRF set up Jeevika LABS centers in Gaya and Nalanda districts of the state, to provide skill-based training for financially disadvantaged rural youth. As the targeted number of livelihoods under the MoU has been met, the project has since been concluded.



TP LABS

Directorate of Town Panchayats, Government of Tamil Nadu

To rehabilitate those who had lost their livelihoods in the tsunami that devastated 19 coastal towns of the state in 2004, the Directorate of Town Panchayats has set up the Tsunami Emergency Assistance Project (TEAP), in partnership with which DRF operated the TP LABS program in some of these towns. Community agencies, Panchayat authorities, citizen groups and industry representatives were also co-opted in the process. The program has recently been concluded.



MPRLP LABS

Madhya Pradesh Rural Livelihoods Project

The Government of Madhya Pradesh has set up the MP Rural Livelihoods Project (MPRLP) with the objective of eliminating rural poverty, with specific focus on the tribal regions in the State. Under Phase I of this program, DRF established residential LABS centers in the districts of Shadole, Sheopur, Annupur and Dhar. Owing to operational constraints in the program, further implementation of the project has been held in abeyance.





Strength from Synergy

Corporate Partnerships

MSDF LABS

Michael & Susan Dell Foundation

In partnership with Michael & Susan Dell Foundation, DRF has launched a LABS project in the National Capital Region of Delhi, to provide sustainable livelihoods to 6000 youth from slum pockets that are being relocated to resettlement areas on the city's outskirts. Based on livelihood mapping done in consultation with government bodies, industries, community representatives and opinion leaders, several vocational training centers have been set up in the city. The partnership is soon to be scaled up across India.



Accenture LABS

Accenture

In partnership with Accenture, a global IT solutions provider, DRF has set up Accenture LABS in Chennai and Bangalore to identify potential demand-driven livelihood options for 'Below the Poverty Line' (BPL) youth in the two cities and train them in vocational and social skills that would reduce their vulnerability. With its personnel and resource networks, Accenture assists in identifying potential beneficiaries through road shows, awareness campaigns and counselling programs.



CII-Yi LABS

Confederation of Indian Industry - Young Indians

In association with CII-Yi chapters in Pune and Mumbai, LABS trains young adults from economically weak backgrounds to help them acquire livelihood skills for getting into the competitive job market. Based on the earlier Pune Corporate Consortium model, CII-Yi assists in community mapping and mobilization (through a 'community coordinator'), as well as through provision of necessary training infrastructure.



Firstsource LABS

Firstsource

In association with Firstsource - a leading global provider of value-added business process management services - DRF runs Firstsource LABS centers at Chennai and Bangalore for imparting technical and other skills to underprivileged youth to enable them to obtain suitable employment opportunities and thereby become economically empowered. The scope of the partnership with Firstsource is being expanded to reach underprivileged youth in a few other cities as well.



Telecom Training Academy

Tata Council for Community Initiatives

Though a large number of youth from semi-urban and rural areas pass out from various technical institutes in India every year, they lack the right skill sets to make them truly employable. DRF and Tata Communications Limited (TCL) have jointly set up a 'Telecom Training Academy' at Mumbai, to train financially disadvantaged youth from Class C / D towns in skill sets specific to the fast-expanding telecom sector. After a 45-day classroom session, the trainees undergo a two-year on-the-job training stint at TCL sites across India, with a monthly stipend.





Strength from Synergy

...Corporate Partnerships

Providing the IT Edge

Cisco Networking Academy

To enable disadvantaged youth to benefit from the ongoing IT revolution in India, Cisco Systems has set up a Networking Academy, which employs the Internet to impart real-time e-learning that cuts across geographic and socio-economic barriers to education and advancement. Under the LABS program, the Networking Academy conducts a globally certified, two-level 'IT Essentials' course that provides on-line training in basic hardware, software and network operating systems to the aspirants.



New Wings to Fly

Youthreach

Youthreach, an NGO that seeks to inspire individual and collective transformation to create positive social change, is partnering with DRF to implement the International Youth Foundation's Udaan 'Life Skills for Employability' (LSE) program. The objective is to impart the LSE curriculum to 2400 youth through a series of 'Training of Trainers' (TOT) sessions. The implementation of the LSE Program is being evaluated by Prerana, another NGO, through surveys and focus group discussions with the aspirants.



Kotak LABS

Kotak Education Foundation

In April 2007, DRF launched a partnership with Kotak Education Foundation (KEF), which is dedicated to improving the educational standards of children from underprivileged families, providing them with vocational training and placing them in suitable jobs. The 'handholding' period with KEF under the 'Establish, Operate, Transfer' model formally concluded in February 2008. During that period, DRF had assisted KEF in setting up LABS centers at several places in Mumbai. DRF continues to assist KEF in training and quality audit.



MFG LABS

Mineral Foundation of Goa

Partnering with Mineral Foundation of Goa (MFG) - a cooperative CSR venture formed by 13 Goa-based mining companies for promotion of environmental and social development programs in the mining belt of the state - DRF organised a series of vocational training batches for underprivileged youth, under the MFG LABS program. As the targeted number of livelihoods under the MoU has been met, the project has since been concluded.



AeALABS

Aide et Action

Aide et Action is an international NGO that assists children from disadvantaged communities in gaining access to education, and also strives to link education with livelihoods. In the tsunami that struck Tamil Nadu and Puducherry in 2004, several communities residing along the coastal belt lost their livelihoods. DRF and AeA came together to set up LABS centers to equip the disadvantaged youth in these communities with skill sets required to get sustainable livelihoods in the new economy. The program has since been concluded.





Going beyond Placement

DRF keeps in touch with its LABS alumni through regular post-placement surveys and alumni meets.

These exercises help DRF gauge the impact created by LABS, understand the alumni's expectations, gather inputs for their career advancement, provide leads for higher education, and explore various other job opportunities for them.

A special website, www.labsalumni.org, has also been set up for the alumni.

The website gives the alumni a chance to give something back to their alma mater by sharing their ideas and experiences with facilitators and aspirants in current LABS centers.



Dr K Anji Reddy (Chairman, DRF) and Ms Anuradha Prasad (Managing Trustee, DRF) at an Alumni Meet organised at Hyderabad on 24th June 2007.



Over 1800 LABS alumni attended an Alumni Meet organised at Karimnagar (AP) on 6th October 2007. Several senior government officials were also invited to the Meet.

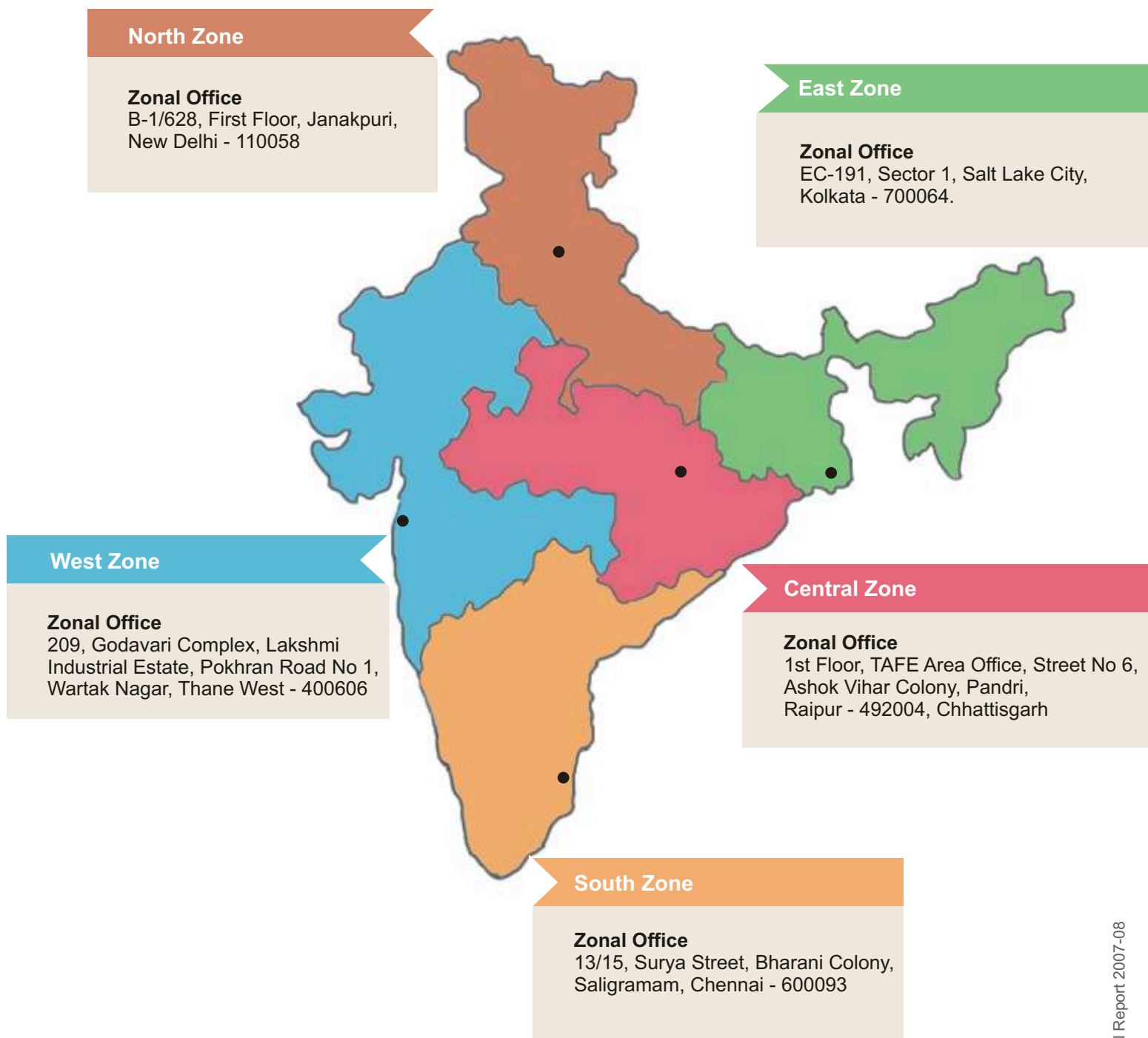


Dr Raghuwansh Prasad Singh (Minister for Rural Development, Government of India) giving away a LABS course completion certificate to an aspirant at an Alumni Meet at Vaishali (Bihar) on 1st December 2007.



LABS across India

The LABS program is extant across several states in India. For effective administration of the program, five Zonal Offices have been set up as shown below:





An Overview of LABS Courses



Automobile Mechanism

With their proficiency in vehicle servicing / maintenance, the aspirants can become mechanics in vehicle showrooms and also set up their own workshops.



Business Process Outsourcing

The aspirants can become customer care / support associates, tele-callers and front office executives.



Bedside Patient Assistance

The aspirants can become hospital / home / geriatric care / bedside patient assistants and community health workers.



IT Essentials (with Cisco)

Job opportunities include hardware engineer, sales executive, marketing / service engineer, PC technician and computer operator.



IT-Enabled Services

Post-course job positions include data entry operator, DTP operator, scanning / printing operator and cashier.

Customer Relations & Sales

The aspirants can become direct sales personnel, sales executives in retail outlets, tele-callers and front office / call center executives.

The vocational training programs are prepared in accordance with job market requirements. The technical inputs are supplemented with training in life skills, Communicative English and workplace exposure.



An Overview of LABS Courses

Hospitality

Positions available to aspirants include steward, bellboy, cashier, house-keeper, F&B supervisory assistant and counter salesperson.

Micro-Irrigation

Job opportunities to the aspirants include fitter, surveyor, survey designer and block / district coordinator.

Machine Operations

With their training in various workshop tools / lathes / milling equipment, the aspirants can become turners / millers / fitters.

Multi-Skilled Technician

The aspirants qualify as electricians, technical assistants, lift erectors, linemen / wiremen. They can also be successfully self-employed.

White Goods Servicing

The aspirants can obtain a wide range of jobs in the White Goods sector as technicians. They can also set up their own servicing units.

Pre-Primary Teacher Training

With their skill in diverse methods of teaching small children, the aspirants can become teachers in pre-primary / primary schools and home tutors.

Refrigeration and Air-conditioning

The aspirants can obtain jobs as technicians in refrigeration & air-conditioning firms. They can also run their own servicing outfits.



LABS constantly endeavors to identify new livelihood avenues in the rapidly growing Indian economy, and develops suitable training curriculum for aspirants in consultation with industry experts and professionals.



Striving for Quality Education

The same inclusive philosophy drives DRF's educational interventions as well. It fights child labour and strives to provide quality education to children who are deprived of it. Using schools as community learning resource centres, it develops local knowledge and leadership, and implements innovative schooling strategies in association with the mainstream education system.

Strengthening Schooling Mechanisms

The Education Resource Centre (ERC) set up by DRF looks after the academic and pedagogical requirements of neighborhood schools, besides supporting them in developing systems, processes and mechanisms of schooling.

The ERC conducts research on various aspects of education, schooling and pedagogy. In partnership with government, civil society agencies and individuals working in the field of education and child rights, the ERC generates and shares resources among partners. It also undertakes studies to explore children's schooling, social contexts that encourage / discourage education, as well as academic delivery systems in schools.



Kallam Anji Reddy Vidyalaya

The Kallam Anji Reddy Vidyalaya at Hyderabad has over 1500 students from KG to Class X. The co-educational school offers instruction in both English and Telugu media. Students who successfully clear the Class X Board exam are assisted in getting admission in government / private junior colleges, including vocational junior colleges. Those who have failed in the Board exam are given intensive coaching to enable them to pass in subsequent attempts.

For students who have cleared the Class X Board Examination, the Kallam Anji Reddy Vocational Junior College offers two-year vocational courses in 'Automobile Engineering Technician', 'Computer Graphics & Animation', 'Computer Science & Engineering', 'Hotel Operations' and 'Multi-Purpose Health Worker'. The students are encouraged to take up higher education after completing the course. Those interested in earning vocation-based livelihoods are also given placement assistance.





Pudami Schools

Pudami English Primaries

DRF has set up 29 Pudami English Primaries in Hyderabad and RR Districts. Located in neighborhoods containing large populations of urban poor, these primaries (KG to Class III) educate children in the 3-8 years age group. Involving both parents and the neighborhood community in their running, the Primaries teach English, Math and Environmental Science.

Serving as good foundation courses, the Primaries provide poor children with easy access to good English medium schools. Teachers from surrounding local communities have been recruited for these Primaries, which act as feeder institutions for 'Pudami' neighborhood schools.



These schools are assisted by a social engagement agency that involves the neighborhood community / parents in mobilizing the children. Every school has a community committee led by the headmaster which takes responsibility for the enrolment and academic progress of the children, as well as for the school's management. The Pudami primaries are assisted by DRF's in-house Education Resource Center in curriculum design, academic monitoring mechanisms and preparation of training material for the teachers, in accordance with the National Curricular Framework. The Montessori approach is adopted for teaching nursery and kindergarten children. Remedial classes are held after school hours for academically weak students of Classes I, II and III.

Pudami Neighborhood Schools

These are a novel initiative by DRF to bring quality education to all children in the neighborhood. The schools address the rising demand for English-medium education from marginalized / lower-income communities.

Four Pudami Neighborhood Schools were inaugurated in the Academic Year 2008-09 in Hyderabad. They have a combined strength of over 1000 children, drawn from all walks of life in the neighborhood, together forming one homogenous 'Pudami' community.



Spreading the Neighborhood School Idea

On 7th December 2007, DRF organized a 'National Conference on Neighborhood Schools' at Hyderabad. The Conference, which was attended by representatives from academia, bureaucracy, NGOs and the private sector, discussed the concept of neighborhood schools that would assure access to quality education for children from all sections of society.

The focus of the Conference was to bring the government, community and the social sector onto a common platform. It was emphasized that private-public partnerships were the best way to democratize education and ensure that every child attends a good school. The private sector could strengthen the partnership and improve the quality of delivery by providing funds, HR expertise, talent and ideas.





School-Community Partnership in Education

In association with Aga Khan Foundation, DRF initiated the School-Community Partnership in Education (SCOPE) in 1999, under the 'Program for Enrichment of School-Level Education'. SCOPE began by developing schools as valuable resources for urban communities by increasing stakeholder participation, creating access to the formal education system for out-of-school adolescents, and partnering with government schools to strengthen various in-school education processes.

After completing the initial program, DRF found that the children mainstreamed into government schools continued to lag behind their peers, as there wasn't enough ongoing support in the schools. The SCOPE program therefore has shifted its focus to preparing out-of-school children for the formal education system before entry. DRF provides quality education avenues through which children who have dropped out of school or have never been to school can bridge the gap between their age and learning using a curriculum that is designed to ease their transition into the formal education system.



YUVA: Youth Learning Centers

DRF strives to wean working adolescents away from exploitative work, help them continue their education, and empower them to gain secure employment. The Yuva Centers are community-based adolescent youth learning centers established in various urban slums in Hyderabad to help bring long dropouts and working children back into mainstream education. The Centers offer academic, counseling and job-related training programs for youth (13-18 years) who have been forced to drop out of school. Girls with little or no formal education, in particular, are encouraged to join these Centers.

The Yuva students also receive career counseling and coaching on resume preparation, interviewing, basic computer proficiency, basic English competency, time management and other skills useful in a professional environment.



The Centers prepare the students for the Class X Board exam, so that they can obtain formal academic certification. They also provide career counseling and job-related training in fields such as Early Childhood Care and Education, Mechanical and Electrical Technology and basic computer skills. DRF currently serves over 500 students at five Yuva Centres across Hyderabad. 296 students appeared for the Class X Board exam in March 2008. 168 students cleared the exam, out of whom 125 are pursuing higher education.



School-Community Partnership in Education

Transit Education Centers

The construction industry is a key employer for many of India's many internal migrants, who are forced to work long hours in return for very low wages.

As these migrant workers often change construction sites, their children miss out on formal schooling and are left on-site to fend for themselves. Older girls are often forced to drop out of school to baby-sit their infant siblings. It is also not unusual to find these children engaged in casual labor.

In early 2008, with support from Sarva Siksha Abhiyan, American India Foundation and other government and private sector partners, DRF launched Transit Education Centers for children of migrant workers.



These Transit Education Centers are temporary schools housed on construction sites, where migrant laborers live and work. Currently, they provide over 4000 children (aged 6-14) with a bridge course curriculum in Math, Environmental Science, English, Telugu and Hindi. DRF operates 100 Transit Education Centers in seven mandals of the Greater Hyderabad Municipal Corporation.

Future SCOPE Plans

DRF will soon set up Early Childhood Care and Education (ECCE) centers for migrant children up to 5 years old. These centers will provide integrated health, nutritional, recreational and educational services. DRF is also exploring the effectiveness of its existing interventions, with the goal of developing policy alternatives and new strategies to better address the educational needs of these children.

A strong network is also being built with NGOs with similar interests to share best practices and develop common programs for providing access to quality education to all children living on construction sites. DRF also plans to involve the private sector and government as more active collaborative partners in setting up educational facilities for these children. The effectiveness of existing interventions is also being explored in order to provide policy alternatives and new strategies to better address the educational needs of children living on construction sites.





Other Educational Initiatives

Kallam Anji Reddy Vocational Junior College

The Board of Intermediate Education (Government of AP) has instituted various two-year vocational courses for students who have cleared the Senior Secondary Certificate (SSC) / Class X Board Examination. The Kallam Anji Reddy Vocational Junior College, which was set up in September 2002 at Chandanagar (Hyderabad), has nearly 300 students on its rolls, and offers the following vocational courses:

- ➔ **Automobile Engineering Technician:** Students who complete this course (along with the bridge course) can pursue higher education in either of two ways - Academic (any undergraduate course other than BZC) or Technical (students can take the EAMCET exam and also get a seat in the second year of the concerned diploma course).
- ➔ **Computer Graphics and Animation:** Students graduating from this course can get good jobs or pursue higher studies with the help of the bridge course. They can take the EAMCET exam and get into the second year of a diploma course (which will make them eligible for B.Tech. through E-CET), or opt for a regular degree in the science stream.
- ➔ **Computer Science & Engineering:** Courses taught in the course include C (the base for C++ and Java), Database Management Systems (DBMS Oracle-SQL), Data Communication and Networking. After completing the course, students can specialize in hardware networking or pursue B.Tech. / B.Sc. (Computer Science).
- ➔ **Hotel Operations:** Subjects taught in the course include communication skills in English, food production, F&B (restaurant) and room division operations (housekeeping, front office). Educational avenues include a advanced courses in nutrition / culinary arts / hotel management / cruise liners, as well as regular degrees like BA and B.Com.
- ➔ **Multi-Purpose Health Worker:** The course promotes community / family health and prevention of disorders, with special emphasis on maternal / child health, and enables students to participate in government health programs. Successful students can take up degree courses in Nursing.



ALTIUS - The Skill Advancement School



Located in the Kallam Anji Reddy Vidyalaya campus at Hyderabad, Altius is a skill advancement school that helps graduates, post-graduates and diploma holders access various placement /

career advancement opportunities by providing them with employability skills.

Altius offers training in Medical Transcription, Call Center and Accountancy packages, in addition to Communicative English, soft skills and basic IT skills. These programs are offered as individual or complete packages, including placement assistance.



Altius has also developed special training modules for junior college students, and also offers customized training programs to enable employees to improve their workplace performance.



Financial Statements

A. Ramachandra Rao & Co.
Chartered Accountants

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Auditor's Report

To
The Board of Trustees of
Dr. Reddy's Foundation,
Hyderabad,

We have audited the attached Balance Sheet of Dr. Reddy's Foundation ("DRF") as at 31st March, 2008 and the related statement of Income and Expenditure and Receipts and Payments for the year ended on that date annexed thereto. These financial statements are the responsibility of DRF's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides the reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of DRF as of 31st March, 2008 the result of its activities for the year ended on that date, in conformity with the accounting policies disclosed in Schedule 09. The supplementary information in Schedules 1 to 08 and Notes to Accounts 10 are presented as additional information for the purpose of understanding the financial statements. Such information has been subjected to the audit procedures applied, in relation to the financial statements taken as a whole.

This report is furnished solely for the purposes of use by the Board of Trustees of DRF for their consideration and submission of the same to the donors of DRF and it is not to be used for any other purpose, or referred to in any other document, or distributed to anyone other than the members of the Board of Trustees of DRF, their donors.

Place: Hyderabad
Date: 08.08.2008



For A. Ramachandra Rao & Co.,
Chartered Accountants

P.S.R.V.V. Surya Rao
Partner
Membership No.202367



Financial Statements

Balance Sheet as on 31st March 2008

In Rupees

	Sch No.	2008	2007
LIABILITIES			
1 Corpus Fund		126,001	126,001
2 Reserves & Surplus	01	182,009,304	67,278,510
3 Capital Grant	02	140,838,686	70,467,436
4 Current Liabilities and Provisions	03		
a) Current Liabilities		19,871,028	17,585,978
b) Provisions		-	5,518
TOTAL		342,845,019	155,463,443
ASSETS			
1 Fixed Assets	04		
a) Gross Block		76,226,031	67,889,083
b) Less: Accumulated Depreciation		(34,909,444)	(28,763,808)
c) Net Block		41,316,587	39,125,275
d) Capital Work in Progress		123,379,376	69,086,218
2 Current Assets & Loans and Advances	05		
a) Cash and Bank Balances		155,661,639	18,326,047
b) Receivables		11,248,640	26,526,700
c) Other Current Assets		2,377,289	495,640
b) Loans and Advances		8,861,488	1,903,563
TOTAL		342,845,019	155,463,443

Significant Accounting Policies 09
Notes to Accounts 10

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date
For A. Ramachandra Rao & Co.,
Chartered Accountants

For Dr. Reddy's Foundation

Sd/-
P.S.R.V.V. Surya Rao
Partner

Sd/-
G. Anuradha Prasad
Managing Trustee

Date: 08.08.2008
Place: Hyderabad

Sd/-
K. Satish Reddy
Trustee





Financial Statements

Income and Expenditure for the Year Ending on 31st March 2008

In Rupees

	Sch No.	2008	2007
INCOME			
1 Donations / Contributions	06	318,239,803	140,901,954
2 Other Income	07	7,408,655	2,510,236
TOTAL INCOME		325,648,458	143,412,190
EXPENDITURE			
3 Programme Expenditure	08	180,880,377	132,073,391
4 Programme Support Expenditure		8,165,858	7,599,488
5 Administrative and General Expenditure		15,077,613	12,610,260
6 Depreciation	04	6,166,200	6,569,902
Add/(Less): Prior Period Adjustments		627,616	220,433
TOTAL EXPENDITURE		210,917,664	159,073,474
Surplus / (Deficit) of Income over Expenditure		114,730,794	(15,661,284)
TOTAL		325,648,458	143,412,910
Significant Accounting Policies	09		
Notes to Accounts	10		

The schedules referred to above form an integral part of Income and expenditure account

As per our report of even date

For A. Ramachandra Rao & Co.,
Chartered Accountants

For Dr. Reddy's Foundation

Sd/-
P.S.R.V.V. Surya Rao
Partner

Sd/-
G. Anuradha Prasad
Managing Trustee

Date: 08.08.2008
Place: Hyderabad

Sd/-
K. Satish Reddy
Trustee





Financial Statements

Receipts and Payments Account for the Year Ending on 31st March 2008

In Rupees

S. No	Particulars	2008	2007
Receipts During the year			
A)	Donations / Contributions Received	405,908,676	207,672,957
B)	Interest Received	3,750,847	1,199,555
C)	KARV Receipts	3,799,968	1,090,280
D)	Proceeds from Sale of Fixed Assets	23,610	226,008
E)	Miscellaneous Receipts	273,907	436,299
F)	Amount received on Merger of TULASI Trust	-	789,024
TOTAL		413,757,008	211,414,123
Payments During the Year			
G)	Project Expenditure	211,119,870	159,529,107
H)	Purchase of Fixed Assets / Capital advances	62,693,830	74,467,428
I)	Deposits	1,835,500	99,290
J)	Repayment of Grant / Contribution	772,216	-
TOTAL		276,421,416	234,095,825
Opening Balances			
	- Cash	126,061	103,123
	- Bank	17,949,986	40,654,626
	Add. Excess of Receipts over payments	137,335,592	(22,681,702)
Closing Balances		155,411,639	18,076,047
<i>Represented by</i>			
	- Cash	165,095	126,061
	- Bank	155,246,544	17,949,986

As per our report of even date
For A. Ramachandra Rao & Co.,
Chartered Accountants

For Dr. Reddy's Foundation

Sd/-
P.S.R.V.V. Surya Rao
Partner

Sd/-
G. Anuradha Prasad
Managing Trustee

Date: 08.08.2008
Place: Hyderabad

Sd/-
K. Satish Reddy
Trustee





Social Accounts 2007-08

DRF is one of very few social organizations that subject their activities to an external social audit.

A Social Audit Report on its activities in 2007-08 has been prepared by DRF with a view to:

- ➔ Reporting accurately and honestly on the achievements of its programs.
- ➔ Demonstrating to its partners what it has achieved and what it is capable of achieving.
- ➔ Acquiring a sharper understanding of its core values and objectives
- ➔ Stimulating a more open and honest internal and external appraisal.
- ➔ Preparing for the large scale-up of activities that is already showing in its operations.

A Social Audit Panel Meeting was held on 14th October 2008 to discuss the draft Social Accounts of DRF for the year. The members of the Panel were:

- ➔ Mr John Pearce (Social Audit Network, UK, Chair)
- ➔ Dr Amita Joseph (Business and Community Foundation, India)
- ➔ Mr Raju Subramanyam (Sustainability and SHE, Dr. Reddy's Laboratories)
- ➔ Dr Vasanth Kumar (Regional Centre for Urban and Environmental Studies, Osmania University)
- ➔ Mr GV Krishnagopal (Access Livelihoods Consulting)

A summary of the Social Audit Report is given in the following pages. The full version of the report is available on our website, www.drreddysfoundation.org

Livelihood Advancement Business School (LABS)

The template used to evaluate the LABS program for the purposes of the social accounts was similar to the one employed in the previous Social Audit. An exercise was also held to analyze the framework as recommended in the previous cycle and make suitable refinements to it. The study was taken up in five states viz., Andhra Pradesh, Bihar, Haryana, Madhya Pradesh and Tamil Nadu out of the 15 states in which LABS was operational in 2007-08. LABS covered 20,036 aspirants spread over 142 centers in 43 districts in these five states. We involved an external agency - Poverty Learning Foundation - for data collection and a draft report on the findings from these states was submitted by them.

LABS Stakeholders

Key Stakeholders (Consulted)	Other Stakeholders (Not Consulted)
Aspirants	Other NGOs working on livelihoods
Aspirants' families	Community organizations ³
Industry / employers	Staff of Dr. Reddy's Laboratories
Local neighborhood ¹	Volunteers
Partners ²	Government ⁴
Trustees	
Staff / employees	

¹ Local neighborhood respondents are the immediate neighbors of our LABS aspirants

² Partners are defined as funding partners who have supported LABS projects during the year.

³ Community organizations are those that help us with mobilization on the field across locations.

⁴ Government is defined as the relevant departments / programs in the government that work on employment generation, poverty alleviation, etc.



... Social Accounts

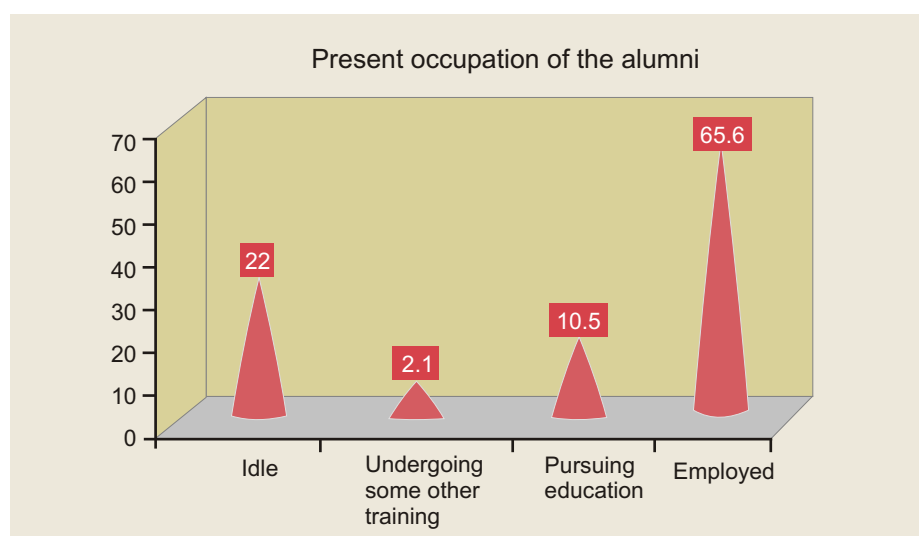
State-wise distribution of all stakeholders covered in the study

State	Stakeholder Group					
	Aspirants	Parent	Neighbour	Staff	Employer	Partner
AP	1922	166	165	33	32	2
Bihar	20	-	-	3	-	-
Haryana	10	-	-	2	-	-
MP	66	8	8	7	3	-
TN	71	7	7	7	5	2
Total	2089	181	180	52	40	4

Main Findings

- ➔ 54% of the alumni were below 20 years of age, followed by 39% in the 21-25 years age group.
- ➔ Females (54%) slightly outnumbered males (46%), a trend similar to that observed in the previous two audits.
- ➔ Caste / group-wise, OBCs form the majority (56%).
- ➔ Educational qualifications: 28% of the alumni had passed Class X, and 26% had cleared Intermediate. The trend again was similar to the previous two audits.
- ➔ Source of information about LABS: Similar to the trend previously observed, friends (63%) and road shows (42%) occupied the first two positions. However, a new trend which emerged this time was that of newspapers providing information (32%).
- ➔ Objectives of joining LABS: The main objectives mentioned by the aspirants were 'to get a job' (94%), 'to improve communication skills' (61%) and 'to acquire additional qualification' (38%).
- ➔ Before LABS: Before the course, nearly 50% were idle / looking for employment and another 42% were pursuing education.
- ➔ Post-LABS: 66% of the aspirants had got employment. A large majority of them were engaged as sales executives and tele-callers. 22% were on the lookout for jobs and 11% were pursuing their education.

Post-LABS Status





... Social Accounts

Aspirants' employment: facilitated by whom?

LABS staff appear to be instrumental in aspirants getting jobs in a large majority of the cases. Friends and relatives were also responsible in a few cases.

Economic Impact of LABS

Salary Group of the Employed Aspirants

Salary group	Frequency	Percentage
Up to Rs.1000 pm	48	3.5
Rs.1001-2000 pm	515	37.6
Rs.2001-3000 pm	451	32.9
Rs.3001-4000 pm	252	18.4
Rs.4001-5000 pm	105	7.7
Total	1371	100.0

Note: Average salary per employee works out to Rs 2591 pm. Rs. 1001-2000 pm emerged as the modal salary group (38%), closely followed by about 33% who reported to be drawing a salary of Rs. 2001-3000 pm.

Switching Jobs

The main reason behind changing jobs was 'higher pay packet' (70%). Some aspirants (of those who held a second post) also said that 'better recognition for work' was the prime reason for hopping from one job to another. In some cases, the aspirants wanted to be with their parents and continue in the same place.

Work Readiness Module (WRM) and its usefulness

40% of the alumni said the WRM helped them in facing job interviews; another 30% said it improved their communication skills. Focus on technical aspects and emphasis on dress-code also appealed to a few alumni.

Workplace compatibility

When asked whether they (those who got employment) were comfortable with their workplace, 33% replied in the negative, the major reasons being inadequate salary (32%), no growth (16%), inconvenient timings (10%), etc.

Confidence about getting another job

Nearly 75% of the aspirants who are presently employed said they would be able to get another job if they quit the present one.

Career path for the next three years

As revealed in the FGD, they feel that their lives are better than before. Their exposure to general knowledge, computer knowledge and Communicative English make them confident about visualizing a decent future.

Impact on behavioral aspects

Over 80% said they had become more confident in their job and find a perceptible behavioral change in themselves, in terms of 'approach to elders' (70%), 'way of thinking' (81%), 'manners' (64%), 'mindset' (68%), etc.

Quality of life post-LABS

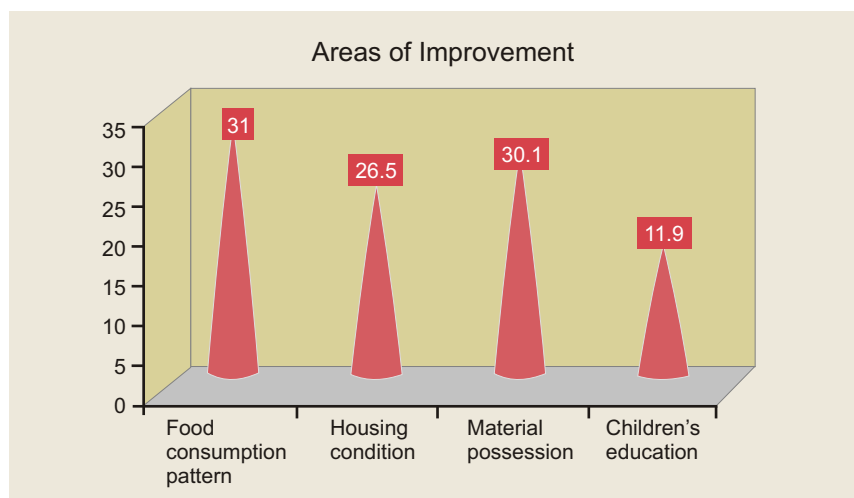
83% felt that the improvement in their standard of living was due to their LABS training, which was evident in the form of improvement in material possessions (30%), housing conditions (27%) and food consumption pattern (31%).





... Social Accounts

Areas of Improvement



Exposure to LABS intervention, as informed by 72% of the aspirants, has brought about a perceptible change among them. Contribution towards the family income is particularly evident in 50% of the aspirants and this shows the sense of responsibility inculcated among the aspirants after their training in LABS.

Way in which the family members' aspirations are fulfilled

Component	Frequency	Percentage*
Supporting / motivating younger siblings' education	1199	57.4
Contributing to household income	1051	50.3
Funding better opportunities for other family members	515	24.7
In clearing old debts	504	24.1
Started saving	447	21.4

* Percentages will not add up to 100 as the question elicited multiple responses.

Another positive outcome of the exposure was that in the case of about 50% of the aspirants, the family started involving them in decision-making. Besides that, the aspirants started receiving respect from friends (51%) and they were considered as role models (30%). In 33% of the cases, people started approaching them for advice.





... Social Accounts

Employers of LABS Alumni

- ➔ The employers came to know about LABS through more than one source, which include media (3 employers), B2Y network (2), colleagues (2) and LABS staff (34).
- ➔ When asked how LABS was useful to them, the responses were varied, like 'substantial cost reduction in the recruitment process' (9 employers), 'availability of skilled force (4)' and 'saving in initial training cost' (33).
- ➔ Notwithstanding the aspirants' good attributes, the employers opined that the aspirants taken by them need additional training in technical aspects (60%), communication skills (88%) and time management (22%).

Parents of LABS Alumni

- ➔ As regards the socio-economic profile of the parents interviewed, nearly 60% belong to OBCs, followed by OCs (22%). Nearly 80% of the families interviewed were from 'Below the Poverty Line' (BPL).
- ➔ About 47% of the families are getting additional benefit from the aspirants' employment.

Neighbors of LABS Alumni

- ➔ 80% of the neighbors informed that there is a perceptible change in the responsiveness of the aspirant towards development; this is basically in terms of the aspirants being interested in career development (42%), serious about being employed (27%) and further improving their education level (11%).
- ➔ Nearly 54% of the neighbors said they considered LABS as a means to improve the employment opportunities for them in the area.
- ➔ The neighbors also expressed that they would advise their friends and relatives to send their children for LABS training, as it contributes to their development.

LABS Partners

As part of the social audit, two partners each were contacted in AP and in Tamil Nadu for capturing their perceptions / reactions in the context of implementation of their schemes through DRF. Some of the issues that emerged were:

- ➔ The partnership of all the four organizations with DRF is primarily determined by its credibility earned in the area of training over time.
- ➔ Need for taking a re-look at the curriculum.
- ➔ Need to identify new courses that have larger demand in the market.
- ➔ Need to identify ways and means of improving the job retention rate.





... Social Accounts

Field Staff (Facilitators and Center Coordinators)

- ➔ The staff shared in the FGD that they visualize that career growth would be very bright. An HR person shared that field staff turnover has been low in 2007-08, which indicates the high job satisfaction levels among the staff.
- ➔ Almost all the staff members expressed that working with LABS enabled them to achieve personal and professional growth.
- ➔ In the perception of 56% of the staff, the curriculum needs some improvements; 31% of them said there was a need for the involvement of local organizations in developing the curriculum.
- ➔ Association / networking with employers: The staff in the FGD shared that they have personal interaction with the employers and that as facilitators they should be actively involved in B2Y network, market scan, etc., so that they could get deeper insights into the market scenario, which will help develop the network further.
- ➔ The staff also felt that it would be better if DRF maintains an employers' network effectively at the district level and invite the big companies to the LABS centers to see for themselves how the training was going on, and how these aspirants would be useful to their companies.

Core Staff

- ➔ A majority in the group felt that there should be a separate department to attend to employer-related issues.
- ➔ The group felt that mentoring is essential at all stages, because it helps enhance the commitment levels especially of facilitators. Individual mentoring was possible when the organization was small, but in the present context, where the activities have considerably multiplied, this aspect is not given the attention it deserves.
- ➔ Career growth: The growth path in respect of LABS facilitators and Centre Coordinators is well drawn up and one could climb up the ladder as one shows commitment and performance.
- ➔ Changes required in DRF: The group felt that DRF must keep pace with the fast-changing development scenario and towards this end it must endeavor to explore new methods and domain, to make the potential target groups more employable. More emphasis should be laid on domains suit women candidates better.
- ➔ The duration of each domain must be decided keeping in view its (domain's) nature and if need be, the duration for some domains could be increased beyond the existing duration.





... Social Accounts

Stakeholders' Reflections

"LABS is driven by its inherent belief in the capacity of youth that they are capable of achieving a livelihood with the training in a matter of three months. LABS is an easy-to-replicate model which may be taken up by others to reach out to more youth. LABS needs to reach out to more partners, NGOs and other institutions in order to advocate the cause of sustainable livelihoods."

- Anuradha Prasad (Managing Trustee, DRF)

Aspirants

- ➔ Increase the course duration to six months.
- ➔ Show placement opportunities to all aspirants.
- ➔ Introduce fashion designing and call centre training course.
- ➔ Provide bus pass facilities.
- ➔ Provide certificates in the minimum possible time.
- ➔ Expand the existing number of centers.

Parents

- ➔ Increase the duration of the course as necessary.
- ➔ Provide employment opportunities to girls in local area only.

Neighbors

- ➔ At present the awareness level of the youth, especially in the rural areas about LABS is low. Therefore, concerted attempts should be made in this direction to benefit them too.

Some Important Findings

- ➔ Duration of course: The feedback for increasing the duration is from all the stakeholders and this is again reflected in the report. Similar feedback was reported in the previous accounts also.
- ➔ Advancement in technical skills: Apart from the shared feedback on the need for improving Communicative English, a need was expressed for improving technical skills as well.
- ➔ New academy development: The need for exploring new domains is an evolving process which has been expressed by the aspirants themselves, even mentioning courses like call center training.
- ➔ Strengthening B2Y: Industry exposure is very crucial for an aspirant and needs to be strengthened.
- ➔ Placements in non-local areas: The percentage of non-local placements has increased in the last few years (53%) as compared to previous social accounts (19%). Placements need to be done with caution as the salary for entry-level positions does not suffice for food, travel and accommodation in a new city. There is also the issue of adjustment in a new culture and adaptation to the demands of the workplace.

Socio-Economic Impact

Number of LABS aspirants trained in 2007-08: 42064

Average income earned by a LABS Aspirant: Rs 2391 per month

Number of LABS aspirants trained in 2007-08	42064
Number of students placed (as per placement provided after training =80%)	33656
Number of aspirants traced and found working even after 6 months (65% of 42064)	27341
Amount added to the Indian economy per aspirant per month (as per the above analysis of sustained placement)	Rs 2,391
Total addition to the Indian economy in 2007-08	Rs 784,485,187
Total cost Incurred	Rs 159,073,474
Return on Investment (ROI)	4.93



... Social Accounts

School-Community Partnership In Education (SCOPE)

Focus Group Discussions (FGDs) and Interviews were held to elicit responses from a few stakeholders.

YUVA : Youth Learning Centers

Selection Criteria for FGDs

Type of FGD done	No. of people attended	Criteria for selection	Place
Community members	8	Active community members	Gudimalkapur
Parents	5	Based on availability	Jagadgirigutta
Teachers	5	Based on availability	Borabanda

Selection Criteria for Interviews

Stakeholders	Total Number	Sample	Interviewed	Criteria for Selection	Methodology
Children	540	81	85	15%	Questionnaire
Teachers	25	7	8	One from each center, and an additional teacher	Questionnaire
Parents			1	FGD	FGD
Community			1	FGD	FGD
Government			1	Interview with MEO	Interview
Staff*				FGD	FGD

*Staff here includes the teachers, as there is no separate staff for the Yuva Centers.

Stakeholders' Reflections

"DRF provides quality education to those who need it most. We are setting up primary and high schools in areas where no proper English-medium schooling is available, centers at construction sites for children of migrant labour, and Yuva centers for school dropouts. We have an in-house Education Resource Centre to address all the requirements. An emerging priority is to capacity-build the teachers, so that they will be able to provide a better learning environment to the children."

- Anuradha Prasad (Managing Trustee, DRF)

Parents

The FGD with the parents elicited positive responses on the YUVA Centers; they were happy with the teachers and the education being provided. Quotes from a few parents, which were representative of the general opinion, are given below:

"I have attended parents' meetings at the YUVA Center. The major difference that I found between the Center and a regular government school is that at the Center they give undivided attention and teach all subjects, which usually does not happen in government schools. The teachers here make the children comfortable and are very friendly."

- Vijayalakshmi (a parent)



... Social Accounts

"The YUVA Center has helped my daughter not to forego her education due to financial hassles. She has appeared for the Class X Board exams, and I want her to pursue higher education and move up further in life."

- Chandrakala (a parent)

"The YUVA center is a good initiative towards children who are forced to work because of their poverty. They are now getting a chance to become literate and do well in life."

The summer classes held at the Centre would help our children know about computers and enable them to gain more knowledge. Child labour is a serious issue and quite rampant here, and initiatives like YUVA will curb it."

- Varalakshmi (a parent)



Community Members

"As community members we have helped the YUVA Center teachers in the mobilization process. It is often quite difficult to wean working children away from their workplaces and educate them, as most parents do not value the importance of education."

- Satyanarayana (Community member, Gudimalkapur)

"The YUVA Center at Gudimalkapur has helped many girls to stop working and resume their education. We feel proud of the fact that we have helped the teachers identify child labour cases and convinced the parents to send them to the Center. Education is a dire necessity in today's age and every child has a right to pursue it. Education shapes character and helps one to move forward in life."

- Mohan (Community member, Gudimalkapur)

"A YUVA Center is a platform that provides an opportunity for dropouts to appear for Class X exams. More awareness on education should be created in the community and DRF should proactively spread this awareness. Subject-wise teachers need to be present in the Centers, and DRF should create a school-like environment, by having recreational activities, celebrating national holidays, conducting games, etc."

- Shankaraiyah (MEO)

Some Important Conclusions

- ➔ **Subject-wise teachers:** It was evident from the survey that subject-wise teachers are important for the success of YUVA centers. The teachers should be appointed at the commencement of the academic year.
- ➔ **Study material:** Another area that will improve the standard of the centers is timely availability of subject-specific study material, as shared by the stakeholders including children in the survey.
- ➔ **Remedial curriculum:** In order to cater to the needs of the slow learners, more planning should be done to ensure remedial curriculum is provided in the right time.
- ➔ **Curriculum:** More planning and execution of preparatory (foundation) course should be done in order to prepare the children for the Class X exams.
- ➔ **Documentation:** There is scope for improvement in keeping MIS records, minutes of meetings, etc.
- ➔ **Study hours:** It was felt that the program would be more effective if the study hours could be increased, as the children need more time to prepare for exams.



... Social Accounts

Transit Education Centers

Selection Criteria for Interviews

Stakeholders	Total Number	Sample	Interviewed	Criteria for Selection	Methodology
Children	3125	167	161	5%	Questionnaire
Teachers	102	14	12	2 from each of the 7 mandals where the Centers are operational	Questionnaire
Construction Supervisors			5	Based on availability	Interview
Community Mobilizers	38	7	7	One from each mandal	Interview
Parents				FGD	FGD
Staff*	11			FGD	FGD

* Staff here denotes Mandal Coordinators and Academic Coordinators.

Selection Criteria for FGDs

Type of FGD done	No. of people attended	Criteria for selection	Place
Parents	6	Based on availability	Maheshwaram
Mandal Coordinators	10	Population covered	Banjara Hills

Stakeholders' Reflections

Parents

"Our life is very tough as we have to move often in search of livelihoods and cannot send our children to school. We do not want our children to follow our path and would like to see them well educated. It is so nice to see that the transit school gives them an opportunity to learn."

- Anil (a migrant from Bihar, and a father of three)

"Not being educated imposes many miseries, and I do not want my children to be subjected to them. My children are very happy going to the transit school, which is such a big boon for migrant workers like us. I feel girls should be given good education, so that they can be empowered to face the world boldly."

- Rukmini (a migrant)

Construction Site Supervisors

"The transit schools are a new beginning for children who have to travel with their families in search of livelihoods. We have provided space and some basic arrangements for the smooth running of the school. The transit schools will definitely have a positive impact on their young minds. Our organization is strictly against child labour."

- Shiva Kumar (GK Projects)

"Apart from providing space for the transit school, our company has taken initiatives like supplying snacks and drinking water to the students. These transit schools at construction sites give children of migrant workers a chance to be literate and not slip into casual labor. We are against child labor and believe that every child has a right to study."

- Jayraj (Suchirindia Developers)



... Social Accounts

Community Mobilizers

Community Mobilizers are involved in mobilizing children for the centers as well as ensuring that they attend their classes regularly. An excerpt from an FGD held with them throws light on their activities.

"We carried out house-to-house surveys collecting data of children in slum localities and hutments at construction sites. The construction authorities slowly began to appreciate our endeavour and cooperated with us".

- Srinivasulu

"The parents were initially very reluctant to enroll their children in the transit schools. We conducted several meetings and motivational programs to make them understand the value of education and how it would make a difference to their children's lives."

- Prabhavati

Transit School Staff

"We recruited area-specific local teachers and trained them in handling children and attracting them to the school with fun games and activities. We also gave these teachers subject-specific training (easy Math, 'Flash Cards', 'Telika Telugu', etc)."

- Madan Mohan

"We regularly interact with the construction authorities for their support in provision of drinking water, electricity and other facilities. The community mobilizers and teachers also interact with them frequently."

- P Jyothi

Some Important Conclusions

Transit Education Center: The Centers have been more on the lines of daycare centers, which have successfully prevented children of migrant workers from engaging in child labour. However, a few children continued to drop out for doing household chores like getting water, cleaning utensils, etc. Parents' involvement in the transit school idea should therefore be further strengthened.

Certificates for floating population: Once the construction activity is over, the families move to a new destination. In order to enable the children to continue their education, a follow-up strategy (such as providing certificates, etc) needs to be developed.

Networking on child labour issues: Although this is a challenging task, the NGOs working towards this cause should devise strategies to network and support one another, as children belong to various districts and strong networking will make the task of reducing child labour a little easier.

Assessments: Due to the daunting task of retaining children in the Centers, their assessments have been neglected. Transit schools being an educational intervention, assessments should be carried out to understand the levels of teaching being imparted.

Handling various age groups: Another issue which has been reflected in the survey is that of mixed age group and children belonging to different states. This is a crucial area and the need for region-specific teachers could be explored.

Parents' involvement: The role of parents in the Centers has been rather passive. Their feedback has been reported in very general terms. The involvement of these important stakeholders should be strengthened.

Involvement of construction companies: Efforts should be intensified to increase the construction companies' involvement and make them understand their role in ensuring the success of the transit school idea. They must be given a clear idea of what is expected of them.



Environmental Impact

An environmental survey was conducted for a sample of 20 employees at the DRF Head Office in Hyderabad.

- ➔ **In terms of paper usage, the responses indicated that most staff members are not very conscious about the amount of paper used.**
- ➔ **Recycling of paper is not practiced in DRF.**
- ➔ **60% of the respondents said they adjust margins and fonts before taking a computer printout.**
- ➔ **80% of the staff said they switch off their computers, printers, lights and fans when they are not in use.**
- ➔ **65% of the staff said that clean drinking water is available in the office premises.**
- ➔ **70% of them felt that we should have a suggestion box for ideas related to the environment.**

Feedback Commentary

Environmental awareness in DRF can be improved with the collective support of all the office staff. Though some form of awareness exists, continuous effort to propagate it will make us all more conscious and contribute effectively towards the environment. Things like avoiding the lift for going downstairs should be followed by all. Recycling as a viable option may be explored, as a lot of paper is used in the Head Office.

Step Forward

The first step is the formation of an environmental policy, to pave the way for the staff to become more aware of such issues as paper and energy consumption. A suggestion box is also being installed in the Head Office.



Dr. Reddy's Foundation

Social Audit Statement 2008

The Social Audit Panel has examined the draft Social Accounts submitted to us and discussed them in detail with Mr Jitendra Kalra, Mr Sravan Kumar, Ms Namrata Kaur and Mr Yogesh Kumar of Dr. Reddy's Foundation at the Social Audit Panel Meeting held on 14 October 2008.

I have examined the revised Social Accounts which were prepared following the Social Audit Panel Meeting and which have taken into account various points identified in the notes of the Social Audit Panel Meeting*. We also examined a sample of the data and the sources of information on which the Social Accounts have been based.

We believe that the process outlined above has given us sufficient information on which to base our opinion.

We are satisfied that, given the scope of the social accounting explained in the revised draft and given the limitations of the time available to us, the Social Accounts are free from material mis-statement and present a fair and balanced view of the performance and impact of Dr. Reddy's Foundation as measured against its stated values, social, environmental and economic objectives and the views of the stakeholders who were consulted.

In the notes of the Social Audit Panel Meeting we identified a number of important issues to be taken into consideration during the next Social Audit cycle. In particular we would refer to the following:

- i. That DRF consider including performance against targets set in future social accounts;
- ii. That when the Values has been reviewed they, and performance in regard to them, are explored with stakeholders;
- iii. That future social accounts explore the actual impact of the Transit Centers on children and their families;
- iv. That DRF consider consulting smaller samples of LABS aspirants in order to understand in more depth their perception of the quality of the program and the impact it has on them and their families.

The members of the Social Audit Panel were:

- a) Mr John Pearce, Social Audit Network, UK (Chair)
- b) Ms Amita Joseph, Business and Community Foundation India
- c) Mr Raju Subramanyam, Director, Sustainability and SHE, Dr. Reddy's Laboratories
- d) Dr Vasanth Kumar, Regional Centre for Urban and Environmental Studies, Osmania University
- e) Mr G V Krishnagopal, Access Livelihoods Consulting

Sd/-

John Pearce
Chair of the Social Audit Panel

Dated: 27 October 2008

* The notes of the Social Audit Panel meeting form part of the Social Accounting and Auditing process and may, by arrangement, be inspected along with the full social accounts at the offices of Dr. Reddy's Foundation at 6-3-655/12, Somajiguda, Hyderabad - 500082. Members of the Social Audit Panel acted in an individual capacity.



"Reach high, for stars lie hidden in your soul.
Dream deep, for every dream precedes the goal."

-Pamela Vaull Starr



DR. REDDY'S

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