



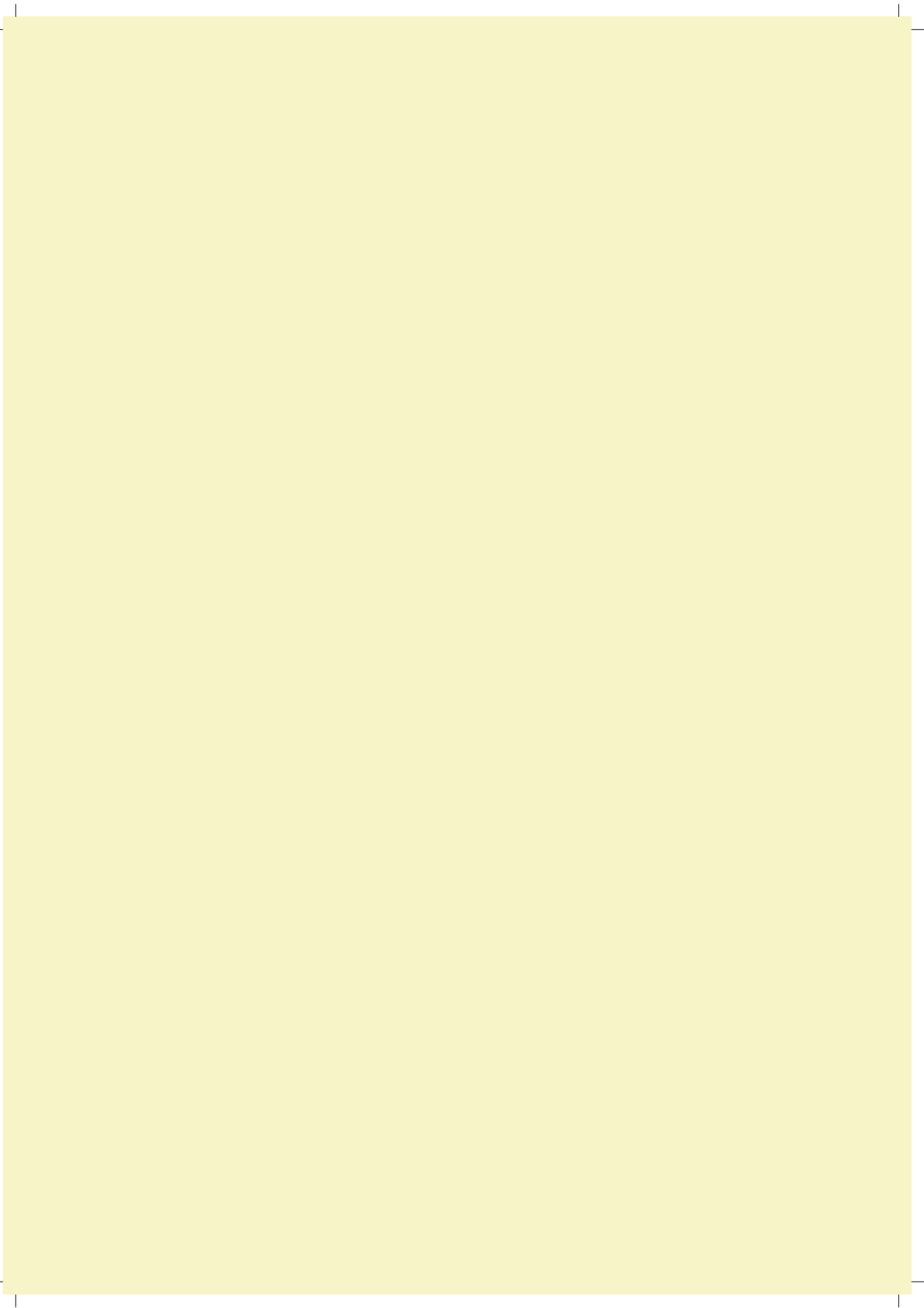
ANNUAL
REPORT
2010-2011



Moving from strength to strength

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ORGANIZATION

About Villgro Innovations Foundation

Villgro believes in creating sustainable market-based innovations that impact rural households. Villgro continuously identifies and incubates useful rural innovations and provides avenues for commercializing these innovations. In its endeavour to impact rural life in a meaningful way, Villgro is engaged in actively promoting social entrepreneurship and works with different stakeholders to create and support an eco-system that empowers social entrepreneurs through seed funding, mentoring, networking and recognition. Villgro's efforts have impacted close to 4 lakh rural users with an effective use of technology and delivery of solutions, reaching people at the grassroots-level and bringing about a positive change in their lives.

Vision

Driven by dreams of a wealthy rural India, Villgro defines its vision in the following terms: *"The key to wealth creation is technological progress, which accounts for 50 to 75% of the recorded income increase in history. In rural areas, wealth creation is more sustainable, if rural needs are met through the fuller expression and application of local knowledge".*

Villgro firmly believes that many rural innovations can be successfully commercialized as scalable enterprises that benefit rural consumers, which in turn is capable of contributing to sustainable wealth creation. Once a model is established to transform potential innovative ideas into reality, a virtuous cycle sets in naturally, encouraging further innovation and wealth creation in rural areas. As an incubator, Villgro impacts all aspects of this cycle – innovation, rural enterprise, rural users and wealth creation.

Mission

To enable innovations to reach the rural poor through market-based models.



Year in Review



2010-11 : Year in Review : Highlights

- Villgro impacted 2018 rural lives during the financial year 2010-11.
- During the financial year, a total of 5 innovations were screened and selected.
- Villgro has till now invested Rupees 13.4 million in 11 incubated companies in the current incubation portfolio. These companies have generated a revenue of Rs 139.1 million during the year 2010-11.
- During the year, Villgro exited from 3 projects – Ejeevika, Pin Pulverizer and Wondergrass.
- Two of the Incubatees -Desicrew & Sustaintech raised additional investments of 30 million & USD 260000 respectively.
- 8 Fellows joined the Fellowship Program.
- 1144 students were identified through 44 My Idea Programs. 23 student projects were supported.
- First meeting of ANDE Chapter : The first ANDE chapter meeting on June 17th 2011 was attended by 17 members. The agenda to set up the ANDE India steering committee and decide broad plans was met and a proposal was submitted to ANDE by the steering committee for official approval of the Indian Chapter.
- Launch of IDRC (International Development Research Center) Program : Villgro's proposal to IDRC, Canada, for a grant of USD 565,000 to enable it to undertake the research project entitled 'Learning from Low Income Market Driven Innovations and Social Entrepreneurship in India' was approved and the project was officially launched on March 3, 2011 by Dr. M. S. Ananth, Director, IIT Madras.
- Replication – Villgro piloted Project SCALE with Strategic Partner ICRISAT - ABI.
- Villgro entered into agreements with Technology Development Board of the Government of India for



seed support of Rs. 10 million. The National Advisory Committee of the National Science & Technology Entrepreneurship Development Board (NSTEDB) of the Government of India has recommended funding support to Villgro of Rs. 30 million.

- Unconvention was hosted in December 2011. Wantrapreneur attracted 44 applications in start-up and early growth category. 3 entries were awarded a total cash prize of Rs. 1,000,000 (Rupees 1 million). Villgro Awards received 52 nominations across 7 categories. The Lifetime Achievement Award was conferred on Dr. Devi Shetty of Narayana Hrudalaya. The Summit saw a total of

313 participants including 216 registrations. An income of Rs. 600,000 was generated through sponsorships and registrations.



Unconvention 2010 - Investor Forum in progress

RAMP



Recognition and Mentoring Programme

Started in 2004- to scout, screen, select, fund, mentor, network, incubate...

RAMP is a programme that recognizes and incubates innovations, which positively impact the rural poor. It offers innovators a complete one-stop technical and business incubation services to prepare their innovations for the commercial market.

Vision

A vibrant ecosystem through which innovations flow seamlessly from innovators to the rural poor.

Mission

To enable innovators to access and impact the rural poor through innovation and enterprise, by offering mentoring, networking, seed funding and recognition, leading to the creation of a dynamic innovation ecosystem.

RAMP is the meeting ground for the following three major target stakeholders of Villgro:

i. The Indian rural poor, who can access affordable innovations that can improve the quality of their lives.

ii. Innovators with promising products and services for the rural poor who require technical support, and access to markets and financial resources.

iii. Entrepreneurs in search of new products to grow their enterprises and possess ability to cater to the needs of the rural poor through affordable pricing.

RAMP connects these three groups, forming an "Innovation Ecosystem." As this ecosystem develops, becoming more interconnected and viable, a larger number of products designed for and used by the rural poor will become available through commercial outlets and activities.

Partners

The RAMP project is supported by The Lemelson Foundation, USA.

RAMP, which was a joint initiative with Indian Institute of Technology-Madras, during the first phase of the project, has now evolved into a full-fledged program within Villgro and is in the second phase from 2009.

Nodal Partners

RAMP has nodal partners, which are institutions having the potential to nurture innovators, specifically student innovators, through the My Idea Programme (MIP) and student project funding.

The partners are PSG College of Technology, Coimbatore and Vellore Institute of Technology.

Villgro has a new partner in National Social Entrepreneurship Forum (NSEF) to meet the scale-up strategy. NSEF started with a pilot of 5 My Idea Programs, conducted at IIT Kanpur, Birla Institute of Technology, Pilani, Symbiosis Institute of Technology, Pune, NIT Surathkal and Tata Institute of Social Sciences, Mumbai.

NSEF is unique because:

- They are the first Nodal Partner that works with student run chapters.
- They work with MBA colleges as against existing nodes who work with engineering institutions only.

This allows cross learning between the technical institutions and management institutions which will feed into future growth plans of the My Idea Program.

Services offered by RAMP:

RAMP offers its innovators a bouquet of services ranging from seed funding and training to mentoring and recognition.

How it works:

Villgro first identifies innovations and then offers incubation services that include support in design, prototyping, lab testing, field trials, market studies, test marketing, pilot marketing, talent scouting and media coverage.

Villgro facilitates incubation by offering the following support:



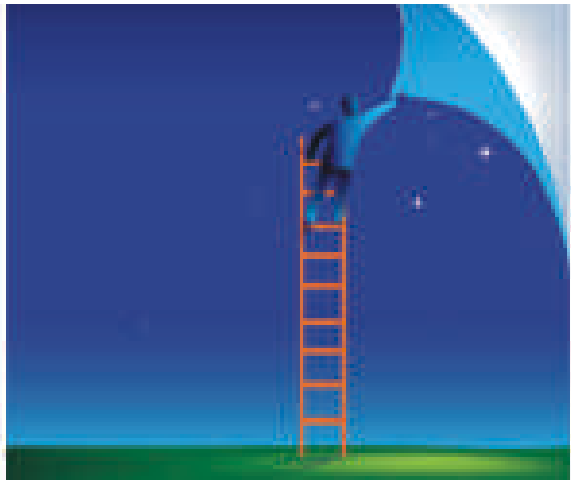
- Funding repayable upon successful completion of the project.
- Mentoring by senior management team of Villgro, who understand the needs of the incubatees, and translate them into action through structured meetings with experts on technology and business needs.
- Networking support for incubatees by connecting them with organizations to conduct specific incubation activities such as field trials and product validation studies.
- Technology transfer - Based on the realization that all innovators may not become successful entrepreneurs, Villgro has designed and implemented an initiative to transfer technologies to interested entrepreneurs.
- Recognition - Villgro provides various platforms of recognition for the members of the innovation ecosystem. Villgro Awards is one of them. Students are recognized through the Young Innovator Program. Incubatees are provided with media exposure- an opportunity for them to showcase their work to the public.
- Fellowship – A key challenge faced by start-ups is their ability to hire high quality talent. Villgro provides experienced talent through the Fellowship Program to the incubatee organizations for a specific period of time for key functions.
- Capacity building - This service aims to build competencies of innovators whose innovations are not yet ready for incubation by Villgro.

Strategies Formulated in 2010–11

RAMP has implemented the following strategies in order to reach its goals:

- a) Improve the quality of scouting by a clear focus on:
 - Introducing and incentivizing a referral system.
 - Holding business plan competitions around agricultural challenges and
 - Scouting for technologies that have a high impact on small and marginal farmers.
- b) Document all the service offerings, inform existing and prospective incubatees and deliver services as per Key Service Agreement.

Plans for 2010–11



- Villgro will invest Rs. 149 lakhs in incubated companies aiming at making a social return of 4 times on the investment.
 - Villgro will touch 400,000 lives as part of the overall goal of 1 million in 5 years.
 - Villgro will add 7 new innovations during the year.
 - Villgro will raise investments for 4 incubated companies with a cumulative amount of Rs. 650 lakhs.
 - Villgro will make efforts to transfer 2 technologies.
- Villgro will place one fellow each with each incubatee.
 - Villgro will reach out to incubators with similar mission and vision to introduce them to the Villgro Incubation Methodology. Villgro will work closely with International Crop Research Institute for Semi-Arid & Tropics (ICRISAT) and 10 Business Planning & Development (BPD) set-ups within Agricultural Institutes.

Achievements in 2010–11

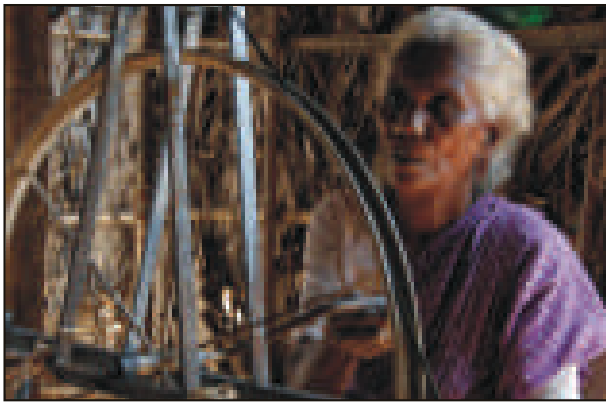
1. During the financial year, a total of 5 innovations were screened and selected. They are Skymet, Arogyam Organics Private Ltd., Integrated Welding Automation and Controls Private Limited (IWAC), Under The Mango Tree and First Energy.
2. Villgro has till now invested Rs. 134 lakhs in these 11 incubated companies and these companies have generated Rs. 1,390.9 lakhs revenue during the year 2010–11.
3. Two of the incubatees have raised additional investments – DesiCrew and Sustaintech. Desi Crew has raised an investment of Rs. 3 crore and Sustaintech and investment of USD 260,000.
4. 8 fellows joined the Fellowship Program. Post fellowship, one fellow accepted an employment opportunity with Villgro and another joined an incubatee.
5. Villgro signed agreements with Technology Development Board of the Government of India for seed support of Rs. 1 crore. National Science & Technology Entrepreneurship Development Board (NSTEDB) of the Government of India has recommended Rs. 2.5 crore for seed support.
6. Villgro has impacted 2,018 rural lives during the year 2010 - 11.

Incubatees

Villgro identifies social entrepreneurs and supports them with seed funding, mentoring, networking and recognition with an aim of positively impacting rural lives. 11 projects were incubated during the period 2010-11.

1. Rural Opportunities Production Enterprise (ROPE)

Description: A System Innovation that links rural handicraft artisans to urban markets through a remote outsourcing model.



Workers spinning Rope



Problem addressed by the idea: Poor artisans in rural areas are not able to market their products effectively and therefore their earnings do not reflect the market value of their products.

Services offered as part of incubation:

- Villgro invested Rs. 17 lakhs from the total committed amount of Rs. 17 lakhs.

- Villgro helped revise ROPE's business plan to improve the business development and increase the financials.
- ROPE has impacted 650 rural artisans through direct employment.
- During the current year 2010 - 11 , ROPE has made a turnover of Rs. 154.2 lakhs.
- Villgro helped ROPE in getting media visibility through DARE, Indian Express and Pravasi Bharatiya (Ministry of Overseas Indian Affairs Publication).
- ROPE is in the final stages of discussion with a venture capital fund (VC) for investment. ROPE has received a Shareholder Agreement from the VC for an investment of Rupees 75 lakhs.

2. DesiCrew Private Limited – Rural employment opportunities through BPO

Description: An innovative Business Process Outsourcing (BPO) model, set up in rural areas, employing and training local people to meet back office demands of clients.

Problem addressed by the idea: Rural educated youth are unable to find employment opportunities in villages, hence are forced to migrate to cities.



Saloni Malhotra at a Desi Crew Center

Services offered as part of incubation:

- Villgro invested the entire approved amount of Rs. 20.80 lakhs.
- Desicrew launched a new wholly owned subsidiary in Kaup, Karnataka.
- Desicrew raised Rs. 3 Crore investment from Venture East India.
- Desicrew has impacted 204 rural educated youth through direct employment.
- Villgro helped Desicrew in getting media visibility through DARE and Pravasi Bharatiya (Ministry of Overseas Indian Affairs Publication).
- During the current year, Desicrew has made a turnover of Rupees 262.62 lakhs.
- Desicrew participated in a 2 day leadership training program organized by Villgro.

3. Vivega Engineering Works – Pin pulverizer

Description: An energy-saving, improved design of a pulveriser that allows the grinding of oily materials like coriander and chillies, as well as cereals.

Problem addressed by the idea: Cereals, coriander and chillies are ground in flour mills that consume a lot of energy, and risk adulteration due to friction in the machines.



The Pulveriser in action at a Village Level Entrepreneurs premises



Vivekanandan with his "Pin Pulverizer"

Services offered as part of incubation:

- Villgro invested Rs. 9.4 lakhs from the total approved amount of Rs. 12 lakhs for business development and product development.
- Vivega Engineering Works has made a turnover of Rs. 10.77 lakhs during the year 2010 - 11.
- Villgro helped Vivega Engineering Works in getting media visibility for Pin pulveriser through Better India and Deccan Chronicle.
- Vivega Engineering Works has impacted 271 micro-entrepreneurs till date. During 2010-11, they sold 151 pulverizers.

4. Masuta Producers Company Limited – Tasar yarn spinning machine

Description: An improved silk yarn reeling machine, which allows for increased output of yarn, highly efficient power consumption, improved yarn quality and thus, an improved user experience. The machine is to be



Silk weavers reaping the benefits of Masuta's new spinning machine

used by the country's largest tasar (silk) yarn producer, Masuta.

Problem addressed by the idea: Traditionally, silk yarn was processed using primitive tools. Ten years ago, an organization called Central Silk Technological Research India had developed machines for reeling and spinning. These machines needed to be improved in order to meet market needs. As a result, the machines could not provide livelihood opportunities for yarn makers.

Services offered as part of incubation:

- Villgro invested Rs. 10 lakhs from the total committed amount of Rs. 10 lakhs, which was provided for product development.
 - Masuta has made a turnover of Rs. 690 lakhs during 2010–11.
 - Villgro provided a fellow to help Masuta develop an automatic machine that would generate twist in the yarn and hence improve its strength. The problem with the manual re-reeling machine is that it is not able to generate twist in the yarn due to which the yarn comes with low strength. The manual process is also very laborious and consumes a lot of time. This new, portable re-reeling machine is expected to save the labour time by 50% and increase the income by 20% for Masuta members. Till now, 45 machines have been given to women.
 - In the process of reeling and spinning tasar yarn, 30% of total cocoon weight goes waste. Implementation of this technology will facilitate Masuta's business to earn an anticipated profit of Rs. 50 lakhs per year. The machines have been ordered and the operations are due to begin in 2011. A Villgro fellow worked on a technology to reduce and effectively utilize the tasar waste.
- A case study of Masuta was drafted under the theme "Sustainable Social Enterprise". This case study won an Award from The Small Enterprise Education and Promotion (SEEP) Network and Intellectap in their annual case profile competition. Further, the case was presented at the SEEP Annual Conference at Arlington, D.C., USA. The work has given Masuta an international recognition and many organizations such as Grassroots Business Fund have come forward to support Masuta's business.
 - Villgro helped Masuta in getting media visibility through India Today and DARE.
 - In order to meet the financial requirement for development and patenting of re-reeling machine, a TEPP grant proposal of Rs. 15 lakhs was submitted to the Ministry of Science and Technology, India. The proposal is under consideration of the Ministry.

5. Wonder Grass Initiatives Private Limited – Rural houses built using bamboo



A Wondergrass Bamboo House

Description: A low-cost, prefabricated, modular house made of bamboo, allowing easy and faster construction.

Problem addressed by the idea: India falls short by around 25 million houses for its citizens. The housing shortfall is growing by nearly a million dwellings each year. The main reason for this shortfall is the high cost of quality housing.

Services offered as part of incubation:

- Villgro invested Rs. 13 lakhs from the total amount of Rs.13 lakhs for product development and marketing.
- Wonder Grass participated in a 2-day leadership training program organized by Villgro.
- Wonder Grass has made a turnover of Rs. 42 lakhs during the year 2010-11.
- Wonder Grass has impacted 30 rural artisans through direct employment.

Villgro assigned a fellow who provided support in:

- Generating urban sales
- Creating 'customer feedback report format'.
- Creating 'rural partnership proposal' to present to potential partners.
- Creating 'rural expansion funding proposal' for presentation to potential funders.
- Developing a 'franchise plan'.
- Conducting a market survey in identified areas to garner feedback on acceptance and affordability.
- Wonder Grass is in the final stages of negotiations with an angel for an investment of Rs. 40 lakhs.
- Villgro helped Wonder Grass in getting media coverage through Economic Times.
- Wonder Grass completed a rural housing project for industrial labour in Wapi, Gujarat based on which they have bagged a large follow-up order from the same customer.

6. Coir Atlas – Rural employment opportunity through production of bamboo-/jute-based product for steel industry

Description: The innovation involves products that are created from bamboo segments wrapped in jute. Extensive testing reveals that this sustainable product outperforms the wooden alternative. This innovation is required in huge quantities for the steel industry. It has the potential to provide sizeable employment opportunities for unskilled labourers in the region, especially women.

Problems addressed by the idea: Millions of cubic meters of timber is employed every year to make "sleepers," which are used in the transport of flat steel products between steel plants and fabrication units. The sleepers provide stability to the steel being transported while allowing forklifts operation. The timber is rarely reused, resulting in a tremendous strain on natural resources.



Services offered as part of incubation:

- Villgro invested Rs. 6 lakhs from the total amount of Rs. 14 lakhs for conducting trials.
- Villgro provided a fellow to help set up the operations and conduct field trials with steel companies.
- Coir Atlas has conducted field trials with Jindal South West.
- Villgro provided a fellow who helped demonstrate and

market a line of bamboo and jute based products designed to replace the use of wood in the shipping of steel products. Through the fellowship, she completed the following projects:

- Strategised and prepared Coir Atlas's business plan and built their financials from bottom up.
- Developed the brand strategy and brand plan for Coir Atlas including marketing collaterals, the company website and multiple pitch presentations.
- Coordinated manufacturing of the product for trials – including the training of the women engaged in the manufacturing process.

7. NCPL – Advanced weather monitoring station

Description: This is an innovative low-cost advanced weather monitoring station named 'Indradhanu' at nearly one-fifth of the cost of the presently available weather monitoring stations using the local technology and advancements in telecommunications.

Problem addressed by the idea: Crop yield, to a large extent is decided by weather factors. Accurate weather data leads to reliable agriculture advisory, encourages farmers to follow suitable agronomic practices leading to increased



A NCPL weather monitoring station in the field

yield or reduced losses. To avail weather-based agriculture insurance, the farmer should be within 15–20 km radius of the weather monitoring station. So, increase in weather

monitoring stations also increases the number of farmers covered under weather-based insurance schemes. However the current weather monitoring stations are expensive and therefore need larger investment to get highly granular weather data.

Services offered as part of incubation:

- Villgro invested Rs. 11.25 lakhs from the total amount of Rs. 25 lakhs for product development.
- Villgro helped NCPL in getting media visibility for the automatic weather monitoring station through India Today.
- NCPL has made a turnover of Rs. 67.3 lakhs*. NCPL made a sale of 40 weather stations.
- Villgro assigned a fellow who provided support in exploring the weather business ecosystems, researching the market and business models in prevalence, profiling potential customers and proposing a future strategic direction for NCPL. A detailed business development process was anchored by the fellow.

8. eJeevika Private Limited – Rural placement services

Description: eJeevika is an Information and Computer Technology based training and placement company. The difference eJeevika and traditional training and placement companies is that eJeevika uses voice-to-text software to interview semi-literate candidates, making it easier for them to apply for jobs. eJeevika also works with the recruiting companies to provide customized training followed by assured placements.

Problem addressed by the idea: Time and money is spent by youth from rural India in moving to cities in search of jobs that are not guaranteed. Employers, on the other hand, have a hard time recruiting skilled staff and training an them. eJeevika, an ICT-based training and placement bureau, has

identified this gap and is targeting both the rural job seekers and unsatisfied employers based in cities located around villages.

Services offered as part of incubation:

- Villgro invested Rs. 2 lakhs from the total amount of Rs. 16 lakhs for business development.

9. Sustaintech Private Limited – Biomass cooking stove for small restaurants in villages

Description: A set of highly efficient cook stoves aimed specifically at small rural eateries and tea shops, offering efficiency levels up to 50% cent over the current models. Sustaintech stoves are low cost, have low biomass requirements and have been designed to minimize health and environmental impact.

Problem addressed by the idea: Roadside food and beverage vendors consume large amounts of firewood to fuel their stoves. Heavy cost is incurred due to the usage of inefficient stoves. The environmental and health consequences of these inefficient stoves are alarming.



Stoves manufactured by Sustaintech

Services offered as part of incubation:

- Villgro invested Rs. 16.75 lakhs of the total amount of Rs. 25 lakhs approved, for business development.
- Sustaintech has made a turnover of Rs. 23.6 lakhs during the year 2010–11.
- Sustaintech has impacted 58 micro-entrepreneurs, who run eateries through the sale of stoves.

- Sustaintech has raised USD 260,000 from a consortium of investors.
- Sustaintech recruited a new Chief Executive Officer and Head of sales. Villgro provided a fellow to work on this assignment.
- Villgro helped Sustaintech in getting media visibility through Deccan Chronicle, Business Outlook and Better India.
- Svati Bhogle, the promoter of Sustaintech, was elected for the prestigious Ashoka Fellowship. She was nominated by Villgro for this Award.

10. Arogyam Organics Pvt. Ltd. - AOPL

Description: AOPL has created a vertically integrated company that markets organic produce branded Bhojanam, in tier 2 towns and at the same time sells certified organic seeds and inputs to the same farmers from whom they procure.

Problem addressed by the idea: More than 60% cent of India's farmland is by default organic. But since the farm produce is not certified and because of the lack of a dedicated supply chain for organic products, the farmers do not get a premium and end up selling it in the conventional market at lower prices. Other small and marginal farmers who are currently cultivating inorganically are also not keen on converting their farms to organic because of the productivity loss in the early stages of organic farming.



AOPL organic products on retail shelves

Services offered as part of incubation:

- Villgro invested Rs. 9.2 lakhs from the total amount of Rs. 9.2 lakhs for business development.
- AOPL has made a turnover of Rs. 48.02 lakhs in the year 2010-11.
- AOPL currently has 8 franchisee stores.
- AOPL participated in a 2-day leadership training program organized by Villgro.

11. Uniphore Software Systems Pvt. Ltd.

Description: This is an IVR-based speech recognition technology – VoiceNet – that sends information in the form of voice messages or short conversations that walks the caller through a set of questions to arrive at the information the caller is seeking. Region-specific speech recognition technology is used for 11 different languages in India and the technology also adapts to different dialects.

Problem addressed by the idea: Rural customers lack access to information such as commodity pricing, weather reports, local news, entertainment, agro machinery, and agro products, and other kinds of such information.

Services offered as part of incubation:

- Villgro invested a fund of Rs. 11.84 lakhs from the total amount of Rs. 18.5 lakhs for business development.
- Uniphore has made a turnover of Rs. 1,14.37 lakhs during the year 2010–11.
- Villgro assigned a fellow who analyzed the market size of voice based ERP solutions in India and identified the key verticals where Uniphore technology could be utilized. He also conducted an in-depth study of voice based ERP solutions for FMCG companies to understand the key

requirements, leading to the development of a pilot for showcasing the benefits of the voice based ERP technology.

- Villgro helped Uniphore in getting media visibility through Times of India.
- Uniphore won the M Billionth South Asia Mobile Content Awards under the M-Business and Commerce category.

12. Skymet

Description: Skymet processes raw weather data using cutting edge methods and software to cater to the specific needs of farmers in micro-geographies and for specific duration. Farmers access this information through mobile platforms.

Problem: Farmers are not able to access highly accurate weather forecast information for specific areas and duration. Current solutions are limited to larger geographies and short duration.

Services offered as part of incubation:

- Villgro invested a fund of Rs. 7.5 lakhs from the total amount of Rs. 15 lakhs for business development.
- Skymet participated in a 2-day leadership development workshop organized by Villgro.
- Skymet hired a senior statistician and a senior model expert to improve forecast models.
- Skymet acquired Reuters Market Light as a key account.
- Skymet had a turnover of Rs. 2.1 crore in 2010-11.



Farmers receiving mobile weather updates provided using Skymet data

Exits in 2010–11

During 2010–11, RAMP exited from 3 incubation projects due to various reasons. Incubatees we provided details about the reasons for exit.

The following table summarizes the projects that were closed during 2010–11.

Incubatee	Reason for exit
eJeevika	The business model of eJeevika was to train and place rural educated youth in organizations, which aligned with the mission of Villgro. Due to internal priorities, eJeevika decided to focus on MBA graduates directly from business schools. Hence, Villgro decided to exit eJeevika as it no longer was in alignment with Villgro's vision.
Vivega Engineering Works	Mr. Vivekanandan is a grassroots innovator. In the second phase of the (Pin pulveriser) incubation support to commercialize pulverizers, Villgro observed that the innovator was not able to increase the sales beyond a point because of his limited ability to bring talent and work on business development strategy. Hence, Villgro decided to exit his venture.
Wonder Grass	Villgro supported Wonder Grass to provide low-cost housing to rural poor people. After working with this incubatee for a year, it was realized that it is too early for the company to focus on housing for the rural poor. In addition to becoming a successful rural housing business, the company had to build an eco system around housing (financing, subsidy, approvals etc.) This was challenging for a start-up.

Way forward:

- Villgro plans to take on board 6 new enterprises in the year 2011-12.
- Villgro also plans to help raise external investment for two if its incubate enterprises.
- Villgro plans to pilot its replication strategy with one incubator in other parts of India.
- Villgro plans to revamp and grow its fellowship offering in preparation for scaling.

Networking

During the year, 3 partnerships were established.

Rural Technology Business Incubator- RTBI

A partnership was formalized with Rural Technology

Business Incubator (RTBI) as a co-incubation partner.

The collaboration:

- Sharing leads on companies/entrepreneurs that can be incubated by each other.
- Whenever a new company/entrepreneur is proposed to be incubated with either of the parties, the other party shall make available their expertise and information during due diligence process to be conducted on the new company/entrepreneur.
- Representatives from both organisations will appear and take part in the review of the said company at the mandated periodicity.

- Both shall co-ordinate with each other in bringing outside investments for co-incubated companies/entrepreneurs that/who require the same.
- Both shall share and provide access to their respective networks for mutual benefit.

National Social Entrepreneurship Forum- NSEF

National Social Entrepreneurship Forum is a non-profit organization that promotes social entrepreneurship in Universities across India. The goal of NSEF is to produce brilliant and successful social entrepreneurs from these institutions. With this objective, NSEF establishes chapters in academic institutions, which act as a hub for conducting workshops and skill-building activities and providing innovative training and internships. They also provide support to students starting social ventures through activities like mentorship, social B-plan competitions and other social entrepreneurial development activities.

The collaboration:

- Offer to conduct workshops on social entrepreneurship.
- Offer to provide interns to Villgro and its incubatees.
- Support with out reach for Unconvention.

In the last year, Villgro was also able to pilot My Idea Programmes at 5 reputed institutes with the help of NSEF.

Grow VC India – Investor & Scouting Partner

Grow VC India is India's first crowd-funding platform for start-ups. It leverages the power of community to come forward and fund start-ups. This platform can provide a strong funding gateway to social entrepreneurs, who, most

of the time, do not otherwise satisfy the investment benchmarks of conventional fund houses.

The collaboration:

- Grow VC India will enable 'micro-equity' investments in social enterprises. Villgro will work closely with GrowVC.
- It gives Villgro an opportunity to list our incubation services on the Grow VC India platform.

Strategic Partnerships

ICRISAT ABI

Under the ICRISAT– ABI partnership the following have been accomplished:

- 19 reports for domestic technologies and 10 reports for international technologies completed.
- An Investor Directory a repository that caters to the need of those entrepreneurs who are looking to raise money for their ventures, was created. The sections covered in the directory are
 - Venture Funds and Angel Investors
 - Bank Schemes
 - Central and State Government Schemes
- Villgro represented and supported 2 exhibitions -Kisan & Krishi Kumbh Agri.
- Villgro supported in organizing the NIABI Investor Meet and Awards. The investees were showcased in front of three investors. Investors included Acumen Fund, Venture East and Villgro.
- Initiated partnerships with UnLtd. India & XIMB for Project SCALE.
- Initiated setting up of ANDE India chapter.

Memberships

In the past year, Villgro has been associated with the following bodies :

BigTech Membership

BigTech assists non-governmental organizations and charities in India by offering access to software donation programs of their donor partners. They support these organizations to conserve their technology budget and help them make the most of their technology purchases and infrastructure.

Villgro now qualifies for Microsoft, Bytes of Learning, Eagle Teleconferencing, Busy Infotech and Quick Heal products.

ANDE

ANDE is a global network of organizations that invests money and expertise to propel entrepreneurship in emerging markets. Officially launched in 2009, ANDE is a member-driven organization housed within the Aspen Institute, an international non-profit that promotes enlightened leadership. With over 105 members, ANDE is the vanguard of a movement that is focused on energizing small and growing businesses (SGBs) that create economic, environmental, and social benefits for developing countries.

TiE Chennai

The Indus Entrepreneurs (TiE) is a global network of entrepreneurs and professionals dedicated to fostering entrepreneurship. TiE helps budding entrepreneurs through advice, guidance and assistance from successful and experienced entrepreneurs and professionals. Villgro is an associate member of the Chennai Chapter and benefits from

the education, knowledge, inspiration, guidance, mentoring and, most importantly, the global connectivity that the TiE platform provides.

NBIA

The National Business Incubation Association (NBIA) is the world's leading organization for advancing business incubation and entrepreneurship. Each year, it provides thousands of professionals with information, education, advocacy and networking resources to bring excellence to the process of assisting early-stage companies.

The association engages in many activities that support members' professional development, including organizing conferences and specialized training, conducting research and compiling statistics on the incubation industry, producing publications that describe practical approaches to business incubation, consulting with Governments and corporations on incubator development.

APIN

APIN is an initiative for strengthening the business incubation network in Asia Pacific. Membership benefits include wide range of services like capacity building, sharing of knowledge, access to international incubation network along with others. The organization benefits by being able to access other incubators and network with them.

Green Investor Network – NVI

The New Ventures India - Green Investor Network serves as a platform for investors to interact with sustainable enterprises. The goal of the New Ventures India Green Investor Network is to facilitate investment into sustainable enterprises. It is open to both debt and equity investors,

individual and institutional investors, and local and international investors.

Participation in events

In the past year, Villgro has participated in the following events.

1. Sankalp '10
2. Sociopreneurship 2010
3. Techsparks 2010
4. Livelihoods India Conference
5. Confluence 2010
6. iPreneur - Innolab 2010

UNCONVENTION

Villgro's annual initiative, UNCONVENTION, is a platform that brings together the best and brightest in the innovation and social entrepreneurship space. It creates an opportunity to learn from each other's experiences and leverage this leadership and expertise for the benefit of thousands of rural lives.

The second edition of UNCONVENTION was held from 2 to 4 December 2010 at the Raintree Hotel in Chennai. This edition comprised five components, namely, The Summit, Investor Forum, Wantrapreneur, Innohub, and the Villgro Awards.

Wantrapreneur

Wantrapreneur focused on start-ups and early growth companies in the segments of Agriculture, Energy, Dairy and Water. There were 44 applications, out of which 10 were selected and invited for a mentoring session on November 16, 2010 and presented at the finals to the jury comprising of Mr. Ramachandran (General Manager, NABARD), Mr.



Cambium Biotech presenting at the Wantrapreneur Finals

Ganesh (Director, RABO Bank), Mr. Tripat Singh (Managing Director, Ennovent India) and Mr. Satish Khataria (Managing Director, Spring Board Ventures). The winners were awarded a cash prize of Rs. 4 lakhs and the runner-up was awarded a cash prize of Rs. 2 lakhs.

DST and Intel's Nextbigidea were partners for the event.

The winners were:

Category	Entrepreneur	Enterprise
Start up - Winner	Inir Pinheiro	Grassroutes
Early growth - Winner	Kaushalendra/ Anuj Kumar	Knids Green Pvt Ltd.
Start up - Runner	Deepak Punwani / Sameer Hajee	Nuru Energy

Innohub

Innohub had 6 Innovators displaying their technologies and products as also Villgro Pavillion which featured Villgro's Incubatees.

The participants at Innohub included:

- Network of Indian Agri Business Incubators (NIABI)
- Centre of Science for Villages (CSV, Wardha)

- Rural Technology Action Group (RuTAG, IIT Madras)
- National Research Development Corporation (NRDC)
- eSagu (Media Lab Asia & IIT Hyderabad initiative)
- Villgro Stores

Villgro Awards

The Villgro Awards had 7 categories, namely, Social Enterprise, Investor, Incubator, Media, Journalist, Grassroot Innovator and Award for Lifetime Achievement. The jury for the Awards comprised of Prof. Ashok Jhunjhunwala, Chairman RTBI, Ms. Bindu Ananth, President, IFMR Trust, Mr. Solomon Prakash, India Country Director, Ashoka Foundation, and Ms. Valerie D'Costa, Program Manager InfoDev.



Dr. Devi Shetty of Narayana Hrudayalaya receiving the Lifetime Achievement Award from Paul in Bangalore

The winners were:

Category	Winner
Life Time Achievement	Dr. Devi Shetty, Founder, Narayana Hridayalaya
Social Enterprise	SELCO India
Investor	Bamboo Finance
Incubator	MITCON
Journalist	Ms. Shradha Sharma, Founder, Yourstory.in
Media	India Today
Grassroots Innovator	Mr. Mohammed Fazul Haque for Paddy Tresher

Summit

The Summit saw the participation of 26 panelists from diverse disciplines and 313 delegates from across the globe. Some of the prominent panelists were Mr. Yashveer Singh – Co-Founder National Social Entrepreneurship Forum, Mr. Ashish Karamachandani – Head Monitor Inclusive Markets, Monitor Group, Dr. Joe Madiath – Founder & ED, Gram Vikas, Mr. Deval Sanghvi — President, DASRA, and Mr. H. K.Mittal — Head, NSTEDB.

Investor Forum

Ten entrepreneurs presented their business plans to a panel of investors that had representatives from Indian Angel Network, Springboard Ventures, Omnivore Capital, Ennovent India, Venture East and Acumen Fund.



The Investor Forum at Unconvention in progress

The partners for UNCONVENTION were The Lemelson Foundation, infoDev, Ashoka Foundation, YourStory.in, Better India, Indian Angel Network, Nextbigidea, Springboard Ventures IFMR CDF and Beyond Profit.

Recognition – My Idea Programmes (MIPs)

'My Idea Programme' encourages the student community to pursue innovative ideas and find solutions to problems, especially in the areas of agriculture, dairy, water and energy. The My Idea Programme Level 1 competition is organized by Villgro's nodal partners, educational institutions, in their

own campuses where students are given an opportunity to showcase their ideas. Winners receive cash prizes and a chance to compete in the second level MIP as part of Young Innovator Program held at IIT-Madras by Villgro. The Young Innovator Program comprises of a capacity building programme for the young student innovators and the finals of MIP and Student Project Funding. Participants are judged by an external jury on presentation, innovativeness, economical and technical feasibility, social impact and the potential for commercialization.

A total of 65 MIPs were conducted in the year 2010–11 with 2667 students generating 1558 ideas. 24 students were given grants to develop their innovations.

The second level MIPs as part of the Young Innovators programme was held on 18 and 19 March 2011 at IIT Madras.

The winners of the My Idea Programme were:

Student Innovator	Institution	Winner
1 Sourav Poddar Shreya Misra	IIT Kanpur	Bridging the education divide by adoption under resourced school by elite school
2 I. Nandhakumar M.M. Rajavignesh	Kongu Engineering College	Semi automated rope making machine
3 J. Rajesh J. Rakesh	Mookambigai College of Engineering	Design and fabrication of compressed air assisted bicycle

The Awardees of student project funding as part of Young Innovator Program werer :

Student Innovator	Institution	Winner
1 V. Mukundan Sharaon Abishek	PSG Tech	Design of an automatic low cost, portable mass screening device for diagnosis of cardio vascular disease.
2 Karthik Vijaykumar	PSG Tech	Design of agitation and de-aeration system for the outdoor cultivation of spirulina platensis
3 S. Venkatesh J. Chandrasekhar	PSG Tech	Design and implementation of embedded based fruit sorting and grading system.



The Young Innovator Program-capacity building session

Student Project Funding Programme

Villgro supported 24 student projects over the last year from 2 of its nodal institutions.

The projects were:

From VIT University

Students	Branch/School	Project Title
Y. Mammanth Kumar R.B. Harsha Vardhan K. Akhilesh Mouli	B.Tech Mechanical	Solar drier
C. Madhusudan	B.Tech ECE	Development of fully automated low cost and high performance irrigation system using FPGA
Vasamsetty Raviteja Devansh Mehta	B.Tech Mechanical	Mini agricultural vehicle
Akhil Kumar Amit Kumar Sharma Raunak Kashyap	B.Tech Mechanical	Oxygen enrichment in a IC engine
Abhishek Prakash Shukla Priyanka	B.Tech Biotechnology	Neutraceutical from banana peel: A novel approach for rural development
Keval Kamani	B.Tech Mechanical	Usage of agro-wastes as filters in cement for pavement blocks
Gowri Sukumar	Research Scholar	Ready to eat curd – A step towards rural transformation
Jyotsna Pillai Binithamol K	M.Sc. Biotech	A Bitter Solution for a Better Cause
Avinash Srivastava Anshul Sharma	B.Tech Biotechnology	Cysteine and other amino acids -products in microbial keratinase production from poultry waste
Debika Khanra	M.Tech Biomedical Engg	Design and development of electro-mechanical arm for amputees and paralysed patients
Y Hari Prakash K Nanda Kishore PSR Aditya	MSE	Automatic drip irrigation system
Shrey Shama Apoorva Saxena Safal Ganesh Sharma	B.Tech. Electrical	Power beaming using laser technology
Nihit matireddi N. Vaishnavi T.S. Aditiya Ramanan Archana	B. Tech Chem Engg	Process development for feed supplements using solid leather waste from tanneries

From PSG College of Technology

Names	Branch/School	Project Title
Sakthivel T, Sivakumar	IV BE(SW)-EEE	Design and development of energy efficient control for farm pump set.
Ragul Ranjith Prabhu U.K, Chandrashekhar J. Venkatesh	Final B.Tech -I & CE	Design and implementation of embedded based fruit sorting and grading system.
Karthik Vijaykumar	Final M.Tech-Biotechnology	Design of agitation and de-aeration system for the outdoor cultivation of Spirulina Platensis
Veeramanikandan	Final ME-Product Design	Experimental and numerical analysis of low altitude ducted wind turbine
Alagarwamy	Final ME -Energy Engineering	Biomass vehicle
Ranjith P K	Final ME -Energy Engineering	Experimental investigation into thermal energy storage
Mukundan V, G Satish, K.K Vivekanandan, Sharan Abishek M S	Final ME -Energy Engineering	Design of an automatic low cost, portable mass screening device for diagnosis of cardio vascular disease.
M .Koneri Thirumalai	Final – B.Tech Textile Technology	Development of continuous weft insertion through electro magnetic shuttle propulsion
S. Sangavi Priyatharshini, K. Vedhasakthi	ME Structural Engineering	Development of high strength self-curing concrete
S Sreeraj, P Sathish Kumar, S Sree Hari	Final B.Tech Bio Technology	Bio-electricity from effluents/ waste biomass via microbial fuel cell of novel design

Capacity building programme for innovators

In the process of screening and incubating ideas with potential for creating significant social impact, Villgro has identified a need to build capacities before ideas or innovators become ready for incubation support. Villgro's interactions with numerous innovators over the years – hailing from different backgrounds and offering ideas for different sectors – have further helped distil the understanding into a universal set of innovator needs.

The Capacity Building program is structured to help innovators equip themselves with tools required by them in their innovation-to-the-market journey. This session is conducted by experts from various fields to provide an understanding of ways of taking innovation to the market. The program thus helps the innovator crystallize the ideas and



make the market feasible and adds considerable value to the innovation.

The program focuses on :

- ? Understanding intellectual property right and related issues.
- ? Investor's perspective.
- ? Designing and prototype development issues and.
- ? Common mistakes generally made by innovators.

Some of the experts who handled the sessions include Mr. Ramaswamy, Patent Attorney, Mr. T. Jayaraman, MD Seco Group and Mr. R. Narayanan, Partner, Sandpath Capital.

In the year 2010–11, 4 programs were conducted through which 325 innovators were trained. For conducting these programs, funds were provided by Aspen Network for Development Entrepreneurs (ANDE), USA.

What they say:

"I learnt a lot from Villgro's capacity building programme. The programme gave me an insight into the commercial aspect of marketing of technology. The programme was highly informative for innovators whose ideas are at the initial stages." - *Entrepreneur- Manoharan, Innovation- Yarn Sizing machine*

"The Capacity Building Programme is a very good initiative taken by Villgro for people like me who have good ideas but do not know how to take their ideas into the market and also how to pitch their ideas in front of venture capitalists. This programme also gave me an opportunity to interact with other innovators who were at the same stage." - *Entrepreneur - R.S.Anandan, Innovation - Low cost sanitary napkin*

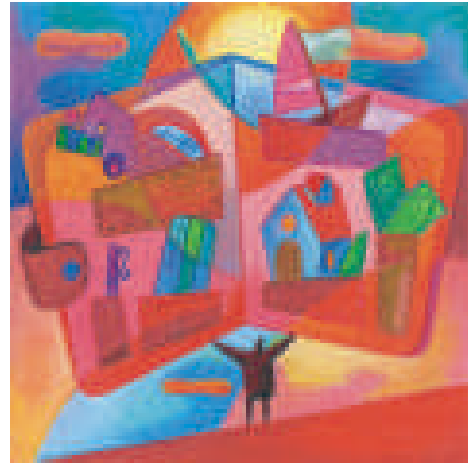
Way Forward 2011–12



? Based on learnings from the year the following key strategies will be adopted for the year 2011-12: The theme for My Idea Program (MIP) for student innovators will be restricted to Villgro's focus areas of agriculture, dairy, water and energy.

- Student-run MIPs will be piloted. The objective of this pilot is to look at financial sustainability of the MIP.
- Growth strategy, including sustainability of student engagements will be articulated.
- Sustainability of Unconvention through increased proportion of sponsorship will be attempted. This is as per Villgro's continuous efforts to optimize costs. This is evident from the expenditure in the first 2 years: in the first year of Unconvention, the budgeted amount was Rupees 9,000,000 and in the second year, Rupees 6,400,000.
- Unconvention: A consultant will be engaged to define a strategic plan for Unconvention for the next 3-5 years. It will also help in building a financial model for Unconvention which can be scalable and replicable.

(I2E) initiative



Innovator to Entrepreneur (I2E) initiative

Started in 2008 to build partnerships between Innovators & Entrepreneurs for commercialization & scale up of technologies

Funded by HIVOS, Netherlands, the I2E initiative aims to transfer technology and related knowhow from an innovator to an entrepreneur, for commercialization or scale-up so that an idea's potential for large-scale social impact is realized.

Objectives

- Identify technologies or products that have market potential and that is capable of creating social impact.
- Sensitize and train innovators on the need for commercialization and the process of engaging with entrepreneurs.
- Realize the potential of a technology or product through transfer from academic or grassroots innovator to an entrepreneur.

Partners

Altacit Global (Chennai, India), an intellectual property law firm.

Skyquest Technology Consulting Pvt. Ltd., a consulting firm which provides solutions to institutions, government and enterprises in the area of technology commercialization.

Plans for 2010–11

- Technology transfer workshop content and two case studies.
- Organizing four technology transfer workshops.
- Creating 3 SMART (Summary of Market Assessment of Rural Technologies) Reports.
- Organising Innohub 2010 as part of UNCONVENTION 2010.

Achievements - 2010–11

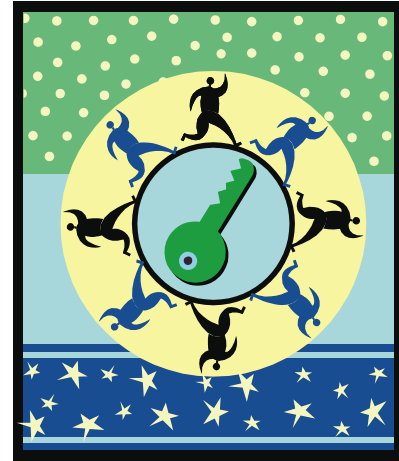
- ? Technology transfer workshop manual and two case studies published (hard & soft copy).
- ? Three technology transfer workshops organized for 69 academic, grass root and student innovators.

- Compilation of “Existing Technology Transfer deals in Agriculture sector” covering 18 Agriculture Research Institutes was published. In the context of lack of credible and fresh data, this would be a useful reference source.
- SMART (Summary of Market Assessment of Rural Technologies) Report format was created for profiling technologies and 3 such reports were prepared.
 - Innohub 2010 was successfully organized with participation from many institutes.
-

The Way forward: 2011–12

Since HIVOS decided to prematurely terminate funding of the program and since Villgro also realized that the journey to build partnerships between innovators and entrepreneurs was a high risk, long and tedious one, Villgro has decided to phase out the Tech Transfer programme.

ANDE



Capacity Development Program

The year 2010-11 saw ANDE funding Villgro's capacity development programme for Innovators and the pre-incubation programme pilot.

5 Capacity Building Programs were successfully conducted. This included 3 innovator training programs and 2 technology transfer programs. Two intensive technology

transfer programs were introduced, based on the feedback of the participants. A total of 119 participants attended against a target of 100.



A capacity building program in progress, 27 Mar, 2010.



Session on raising funds by Mr.R.Narayanan, Oct 16, 2010.



Certificate distribution by Dr.R.Nagarajan, IIT Madras, Board Member, Villgro.



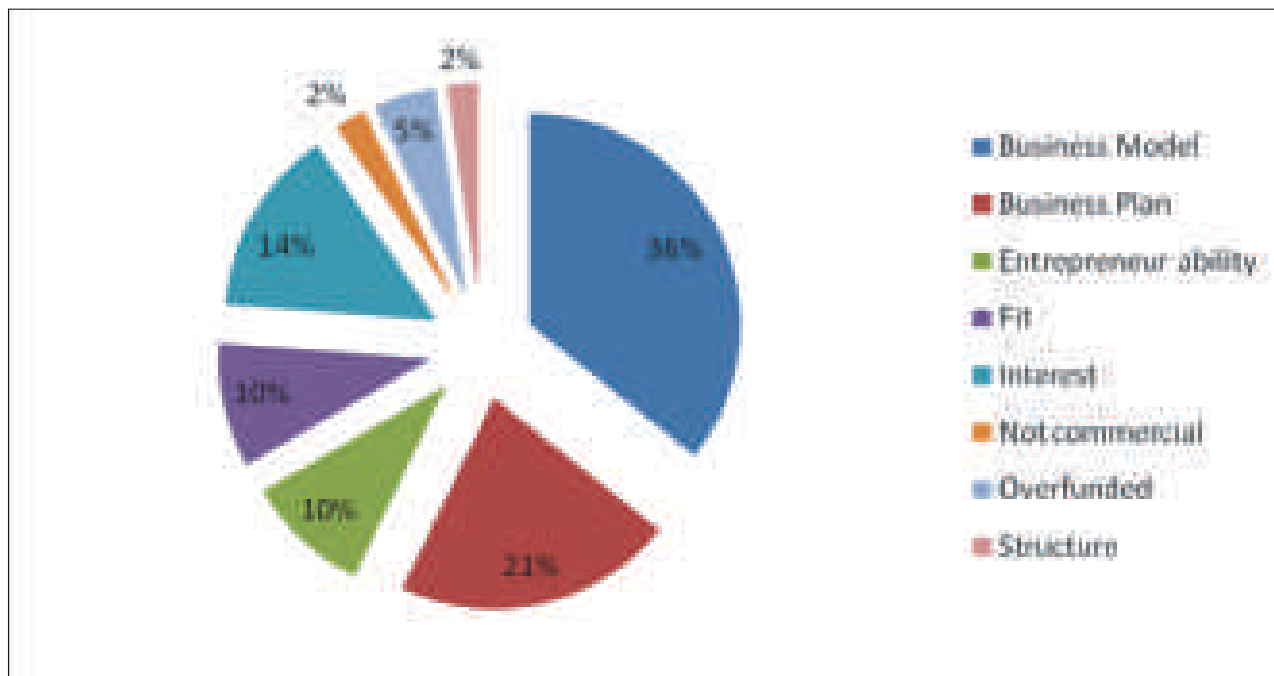
Technology transfer workshop in progress , 14 Oct, 2010.

The analysis of our past applicants who were not accepted into incubation over the years 2008 – 2010 revealed the following key findings :

- A large number (57%) require extended support in development and thinking through of their business model and/or business plan (Fig 1).
- Most of the issues around the business model were

around 1) insufficient knowledge of rural markets 2) potential of the organization to scale.

- These are issues that require a combination of extended mentoring and high traction handholding to be worked on. The mentoring ensures that key strategic inputs are provided while the on-ground support provided through handholding helps with operationalization.



Consequently, a 3 month Pre-incubation program was piloted. This program had a cohort size of 4 entrepreneurs paired with 4 “enablers-in-residence” and 4 mentors. Based on the success and learnings the same program will be continued in the year 2011-12.

Plan for 2011 – 12

- Revamp the innovator training program to achieve break even

- Conduct 1 innovator capacity building program in it's new structure.
- Conduct 2 pre-incubation programs with 1 participant moving into incubation.
- Raise funding/partnership for the program.

UCID



User Centered Innovation Development

Created in 2008 to understand, identify, test, introduce, solve...

Ensuring Innovations actually meet user needs

To say that innovations need to be built with users in mind would sound like a truism. In reality, however, the gaps between user needs and innovation attributes are mission-critical or extremely significant and ultimately lead to innovations that are not so effective or simply fail. User Centered Innovation Development- UCID's significance lies in its attempt to address these gaps in innovation design and development.

Key Features:

- ? The program ensures the participation of end users in the testing of the product.
- Products nurtured through UCID are developed / improved in a single-minded manner, based on the real / actual feedback of end users.

Creating a pipeline of technologies that best solve users' problems:

UCID aims to provide solutions to the existing problems of

the rural poor by promoting innovation development in a user-centric manner and making them market-ready, thus ensuring easy and effective user-adoption.

UCID assesses user needs and suitable products will be scouted, screened, tested and launched in Villgro Stores so as to be affordable and accessible to the user. UCID is thus a gateway for Villgro Stores to source products from the market; products that are affordable, unique, innovative and cater to local needs. This way, UCID facilitates the co-development of products with the participation of both the end-user and the entrepreneur.

Objectives

- ? Identify innovative products and services that can create a broad impact on rural areas, primarily in the categories of agriculture, animal husbandry, water and energy.
- ? Test these products and services in Villgro Stores' operational areas, to assess and evaluate their suitability for local and extended rural conditions, in terms of price,

utility, acceptance and other set parameters.

? Document the test results scientifically (this includes capturing visual data), leading to informed decisions on:

- The addition/rejection of the product in Villgro Stores product portfolio and
- Scouting products of similar nature if needed.
- Generate feedback from users, through user-centred testing and trials, facilitating small and medium enterprises (SMEs) for further product improvement.

Partners

Funding Partner: Rockefeller Foundation

Implementation Partners: Small and Medium Enterprises (SMEs)/SSI and Village Level Entrepreneurs (VLEs)

Impacting Partner: Villgro Stores

Key strategic initiatives

To realize its objectives, UCID has evolved the following strategies:

? Assess the need and affordability of the product based on-

- User feedback
- Surveying existing equivalent products in the local market

? Facilitate frequent interaction between the trial farmer/village-level entrepreneur (VLE), end user and manufacturer.

? Use a protocol sheet and test plan to ensure systematic testing, identifying the beneficiaries.

Activities and services offered:

To execute these strategies, UCID focuses on the following package of activities:

- ? Facilitating co-creation of innovative products by the SME and the end-user.
- ? Offering products for sourcing to Villgro Stores.
- Scouting innovative products.
- Testing products in association with VLEs.
- Sharing feedback from the testing process with the respective SMEs/manufacturers after results have been systematically documented.
- Test marketing of innovative products.

Other Key services offered:

In addition to these services, UCID plays a role in Extension. This includes:

- Morning field visits
- Season-based crop husbandry meetings
- Farm diagnostic services

These activities help UCID/Villgro Store's end-users adopt good agricultural practices, ultimately influencing/increasing the cost-benefit ratio.

Accomplishments in 2010-11:

Sub Sector	Target for product in stores	Achieved
Fertilizer and pesticides	25	14
Seeds and planting material	8	1
Animal husbandry	7	1
Personal care	0	3
Agri-Information service and product	0	2
Total:	40	21

Post testing 21 products were marketed to the small and marginal farmers through village level entrepreneurs.

Some products included for testing:

PRODUCT	INNOVATIVENESS
Mealynil	Aqua Mealynil is a natural combination of animal body oil, herbal extracts and emulsifiers. It is a bio-pesticide formulation.
Milikil	Milikil is highly concentrated organic researched formulation for effective control of mealy bugs on grapes, pomegranates, custard, apple and other vegetables.
I-Soap	I-Soap is an insect soap formulation that works by smothering and dehydrating insect. It contains fatty acid salts, herbal extracts, inert material.
G 5	A unique patented granular formulation for plant growth that also acts as an effective preventive measure against pests and fungi. It contains sea weed extract, amino acids, neem oil, humic acid and antiroot rot substances.
K-Up	K-up makes availability of potash to the plant, which is abundantly present in soil. This potash is not absorbed by root as the potash molecule is bigger in size comparatively to nitrogen and phosphorous. K-up when sprayed on plant or drenched near roots, activates the roots in such a way that the distance between the cell walls increase and the roots become turgid. Due to this big size, Potash molecules are absorbed by the roots.

A total of 49 products were tested in 249 plots by 201 farmers

Sub-sector	No. of products tested	No. of plots	No. of farmers
Fertilizer and pesticides	32	161	118
Seeds and planting material	6	41	31
Animal husbandry	6	47	32
Energy	2	0	0
Personal care	1	0	0
Agri-information service and product	2	0	20
Total:	49	249	201

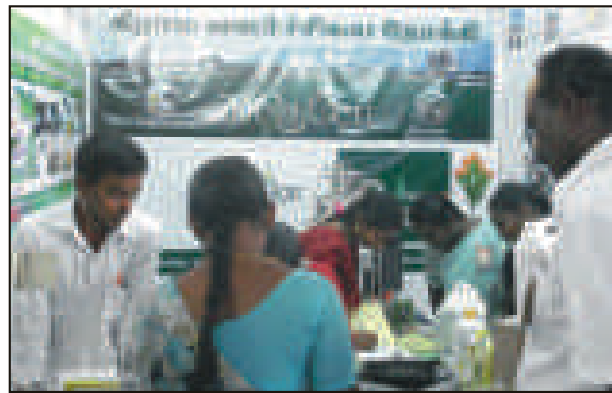
Way Forward: 2011-12

UCID is the key enabler for innovation scouting, screening and testing of products. Villgro has built and refined the process, screening and testing products which match the local needs and also show higher probability of adoption by end user. UCID has helped faster adoption of new technology. The reduced adoption period helps quicker sales build up, thus reducing cost of product promotion and making new product promotion an economically viable business.

Villgro will continue to build product portfolio for its rural distribution channel through UCID. The channel is not big enough at this point to support all the costs involved for UCID, so Villgro will seek funding for it. In the next 2-3 years when the channel grows to sufficient scale, it will be able to fund UCID completely. For 2011-12 UCID is partly supported by the distribution Channel (Villgro Stores) and partly by other sources.



Advocacy initiatives - Award for showcasing the best innovative products and services which can create social impact in rural India @ ATMA Agriculture exhibition and Conference held at Malligai Hall, Erode from 22 - 24 Feb' 2011



Advocacy initiatives - A view of Villgro's innovative product exhibits @ ATMA Agriculture exhibition and Conference held at Malligai Hall, Erode from 22 - 24 Feb' 2011

The target for 2011-12 for UCID in terms of product selection is given below :

Sub-sector	Target for Scouting	Target for Testing	Target for product in stores
Fertilizer and pesticides	50	35	20
Seeds and planting material	15	10	7
Animal husbandry	20	15	10
Energy	5	5	3
Personal care and others	10	10	4
Agri-information service and product	5	5	3
Total:	105	80	47

TDP

Talent Development Programme



Started in February 2008 to acquire, retain, nurture, develop, excel, lead...

Incubating talent

Organizations in the social sector are largely service oriented, and talent is a key asset directly affecting performance. Talent accounts for more than 60% cent of the overall costs. Paying attention to this human capital is critical.

Young, dynamic professionals and management students are increasingly drawn to the social enterprise sector because of the opportunity to innovate, perform and grow. They are driven by an ambition to make a difference, an ambition which they feel this sector can fuel.

However, to accommodate this type of talent, social organizations such as Villgro require a fundamental transition in their strategy, structure, and existing practices. They need to develop new HR models for success.

The Talent Development Programme (TDP) at Villgro, funded by the Rockefeller Foundation (RF), aims to approach talent management in a more focused and intensive manner.

TDP sources and develops talent (human capital) for the

innovation and social entrepreneurship ecosystem and Villgro. It puts in place the structure, systems and people required to support Villgro's growth. This includes creating talent, enhancing the talent of innovators and entrepreneurs, and enabling talent for partner organizations.

It does this by running programmes for fellowships, internships for the young talents, volunteer programme and skill based training programmes (for employees, incubates).

Vision

TDP will contribute to the transformation of social enterprise sector from an the innovation industry into a talent factory.

Mission

Enabling transfer of skill sets between Villgro, its incubatees, partner organizations, the social enterprise sector, the for-profit sector and the student community.



Activities

TDP is focused on the following activities:

1. Talent acquisition
2. Talent development
3. Talent retention

Objectives:

Talent acquisition: TDP's student internships attracts young talent, while its professional internships draws in more experienced talent with global knowledge. The influx of senior professionals from the industry increases its

management bandwidth. These talents will be placed both with Villgro as well as with Villgro's incubatee organization.

Talent development: The programme grooms leadership from within through coaching and learning, and provides an opportunity for managers to develop leadership skills by guiding interns.

Talent retention: Career development is made possible by instituting appropriate structures and systems, and Villgro fosters a culture of learning and development in the organization.

Plan for 2010-11

Outputs	Activities
Talent Acquisition @ Villgro	Recruitment – 7 positions, 9 Interns from colleges 4 interns from IIT-M, 5 Volunteers
Talent Acquisition for incubatees	Providing expertise for the incubatees in developing the JDs for their various requirements
	Providing online platform for the incubatees to address their recruitment needs (online job postings and database access)
	16 Interns, 8 Fellows, 3 Volunteers
Talent Development @ Villgro	4 Inductions across the year
	Leadership programmes for all the PHs and 1-2 associates
	Each employee attends at least 1 skill-based training programme
	KRA setting and assessment for all the team members in all the 4 quarters
Talent retention @ Villgro	Career planning for all the staff
	Annual performance appraisal (Oct)
	HRIS (Improvisation and improvement)
	Annual family meet (2)
	Annual retreat (1)

Targets Achieved in 2010-11

Talent acquisition

Team	Number of members
Management Committee	-
RAMP	1
Technology Transfer	-
Innovation Ecosystem	1
TDP	1 (Outsourcing partner)
Knowledge Management	-
Accounts and Administration	1 HR & 2 Accounts being outsourced
Total:	6

Induction:

Two Induction Programmes and two Fellowship Induction Programmes were conducted. They covered an induction to Villgro, visits to other organizations in the social entrepreneurship (SE) sector and Villgro's innovators' organizations. The induction was for a period of 1 month.

Student internships

The student internship program drew students from reputed institutes including IIT-Madras. 21 students were placed on 12 projects.

The list of the interns with the scope of the project is given here:

Sl.No	Institution	Student Name	Duration	Title of the Research	Incubatee/ Organization
1	MANAGE	Divaker	April 12, 2010 to June 10, 2010	Banana Tissue Culture Project. Explore the potential of marketing Tissue Culture (TC) Banana through Villgro Stores	Villgro Stores
2	MANAGE	Sutanu Sankha Ghosh	April 12, 2010 to June 10, 2010	Banana Tissue Culture Project. Explore the potential of marketing Tissue Culture (TC) Banana through Villgro Stores	Villgro Stores
3	MANAGE	U.M. Kumar	April 12, 2010 to July 05, 2010	Cattle Field Project. Strategies to deliver effective supply and value chain for cattle feed in Villgro Stores	Villgro Stores
4	MANAGE	Kumud Rajan	April 12, 2010 to July 05, 2010	Cattle Field Project. Strategies to deliver effective supply and value chain for cattle feed in Villgro Stores	Villgro Stores
5	IIPM Bangalore	V. Sathish Kumar	April 19, 2010 to July 9, 2010	Licensing & Technology Transfer deals in agriculture sector	VIF Tech Transfer
6	NIAM, Jaipur	Monika	April 15, 2010 to July 5, 2010	Licensing & Technology Transfer deals in agriculture sector	VIF Tech Transfer

Sl.No	Institution	Student Name	Duration	Title of the Research	Incubatee/ Organization
7	IIFM, Bhopal	Ruchita Du	April 5, 2010 to June 11, 2010	SCALE Scaling through Co-incubation of Agri- Innovations by Leveraging Enterprises	VIF Project SCALE
8	IIM Indore	Rajat Kumar Das	April 12, 2010 to July 05, 2010	Attrition analysis at eJeevika	eJeevika
9	Georgia Institute of Technology	Swetha Krishnakumar	June 3, 2010 to August 3, 2010	SCALE Scaling through Co-incubation of Agri- Innovations by Leveraging Enterprises	VIF Project SCALE
10	ESADE	Alvaro Illansa Cerezo	July 10, 2010 to September 10, 2010	SCALE Scaling through Co-incubation of Agri- Innovations by Leveraging Enterprises	VIF Project SCALE
11	National University of Singapore	Deepika Chandrasekaran	September 1, 2010 to October 31, 2010	SCALE Scaling through Co-incubation of Agri- Innovations by Leveraging Enterprises	VIF Project SCALE
12	D.J.Academy of Design	Satish Suman Behera	July 28, 2010 to Oct 27, 2010	Product designing at ROPE	ROPE
13	XLRI	Himanshu Kumar	August 8, 2010 to September 19, 2010	Design a supply chain management strategy for Coir Atlas	Coir Atlas
14	IRMA	Nivedita Pandey	October 25, 2010 to December 17, 2010	Business Development	Uniphore
15	IRMA	Rajnish Kumar	October 25, 2010 to December 17, 2010	Develop a branding and marketing design for Indradhanu, automated weather stations, one of NCPL products	NCPL
16	Boston University	Arne Sanne	October 29, 2010 to December 31, 2010	SCALE (Scaling through co-incubation of agri- innovations by leveraging enterprises)	VIF Project SCALE
17	PES Institute of Technology (PESIT)	Sridevi Prasanna	December 17, 2010 to February 19, 2011	Financial records management	Sustaintech
18	GITAM Institute of Management, GITAM University, Visakhapatnam	Gaurav Gupta	January 10, 2010 to March 31, 2011	Financial records management	Sustaintech
19	GITAM Institute of Management, GITAM University, Visakhapatnam	Nagesh	February 23, 2010 to March 10, 2011	Customer relationship management	Sustaintech

IIT Interns during 2010-11

Institution	Student Name	Duration	Title of the Research	Incubatee/ Organization
IIT	Sarah Herms	June 21, 2010 to August 10, 2010	SCALE (Scaling through Co-incubation of Agri- Innovations by Leveraging Enterprises)	VIF - Project Scale
IIT	Poornima Rachel	June 21, 2010 to August 10, 2010	Knowledge management	VIF

Villgro Fellowships

TDP organized the 3rd Villgro Fellowship programme, which is 10 months in duration. The programme was advertised by mailing professional contacts, posting information on the internet (networking sites, Villgro's website, and on iVolunteer.com), through partner organizations and by word of mouth.

From the 250 applications received, 24 candidates were shortlisted for interviews. 7 went through a final interview and 8 fellows were selected. The fellows joined on 1 June 2010 and attended a 1-week course on innovation and social entrepreneurship.

The profiles of the fellows:

1. Barath Varshney:

Bharat has worked for 2 years with General Electric (GE), Bangalore. He has a Master's Degree in Thermal Engineering from IIT-Delhi and is a gold medalist in mechanical engineering from Aligarh Muslim University.

2. Yeshasvini Chandar:

Yeshaswini is a graduate in Biochemical Engineering who has worked in USA, New Zealand and India in research and consulting. She has PG Diploma in Kathak, a Indian classical dance form. She has also initiated a social venture called Pragyan.

3. Robert Moore

Robert is a graduate from University of Southern California with a BA in Business Administration specializing in Entrepreneurship. His experience spans business projects, consulting, marketing, and sales in Armenia, India, Kenya, Philippines, and the USA.

4. John Mixon

John has got an MBA from University of Washington's Foster School of Business. Prior to joining the business sector, he practiced naval architecture for 4 years after earning his BS in Naval Architecture and Marine Engineering from Webb Institute in Glen Cove, New York.

5. Jessica Liu

Jessica has got a bachelor of Law in Science of Diplomacy, School of International Studies, LSE Summer School, Beijing, PRC Management and Entrepreneurship WASEDA University Tokyo, Japan Center for Japanese Language .

6. Mayank Jaiswal has joined Villgro as Sr. Associate, Business Incubation and Vijay Rangarajan has joined Uniphore – Villgro's Incubatee organization as Business Analyst.

Avinash Baskaran worked as a Volunteer at Villgro Stores between June 1, 2010 to June 30, 2010. His Internship was on 'Sales trends of selected products'.

Talent development

A training calendar was developed to address the individual programme and institutional training needs. This was done through training need identification from performance appraisal format and individual work plans and validation by respective programme heads. Individual team members were nominated for in-house/external training programmes.

Eighteen man-days were invested in training individuals based on their needs. Knowledge-based training requirements were addressed in tandem with internal learning sessions.

Some key training sessions:

The Leadership development programme

Villgro, in collaboration with CCL (Centre for Creative Leadership), had organized a two-day training programme on 26 and 27 November 2010 to develop the leadership qualities of its incubatees and programme heads at Villgro. CCL focuses exclusively on leadership education and research and has unparalleled expertise in solving the leadership challenges of individuals and organizations. They equip clients around the world with the skills and insight to achieve through creative leadership.

Training, Conferences, Seminars and Lectures Attended in 2010-11

Sl no	Name of the employee	Designation	Name of the training attended	Duration
1	Deepti	Associate - Capacity Building	Innovation for high performance	One day
2	Ashish	Associate - Scouting	Balance sheet analysis of social enterprises	One day
	Garima	Associate - Scouting		
	Siddharth	Associate - Mktg & Communication		
	Chakravarthy	Associate - Process		
	Bala	Associate - Incubation		
	Deepti	Associate - Capacity Building		
	Reihem	Associate - Incubation		
	James	Head-Process and LRAMP Administration		
3	Ashish	Associate - Scouting	Understand the view point of an investor company while analyzing the balance sheet	Half day
	Bala	Associate - Incubation		
	Siddharth	Associate - Mktg & Communication		
	Garima	Associate - Scouting		
	Chakravarthy	Associate - Process		
4	Garima Jyoti	Associate - Scouting	STEM Annual Meet	Two days
5	Ranjit Koshi	Associate - Knowledge management	Khemka Forum	Two days
	Balagangadhar	Associate - Incubation		
	Sucharita	Head - Innovation Eco system		
	Joseph Thomas	CTO		

Training, Conferences, Seminars and Lectures Attended in 2010-11

Sl no	Name of the employee	Designation	Name of the training attended	Duration
6	Michelle	Sr. Associate - Network & Partnerships	Livelihoods Conference (Agriculture Based Livelihoods Opportunities And Potential)	Two days
	Ashish	Associate - Incubation		
7	Paul Basil	CEO - VIF	Leadership Training	Two days
	Sucharita Kamath	Head - Innovation Eco system		
	James Rajanayagam	Head - Process and RAMP administration		
	Ashutosh Sinha	CEO - Villgro Stores		
	Suresh Shanmugam	Head - Innovative Products & Operations		
8	Deepti Arya	Associate - Capacity Building	Communications Training at British Council	1 month (8 man days)
9	Rahimunnisa	Receptionist	Workshop on enhancing effectiveness of executive secretaries	2 days

Talent retention

Social Security

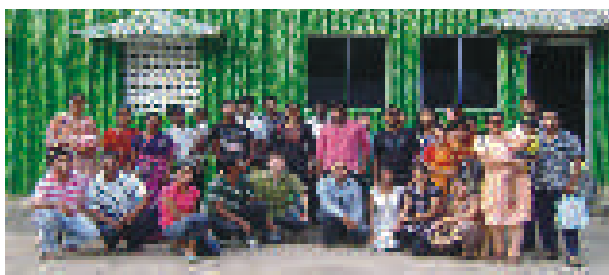
Employees are provided with social security. They are covered under the Provident Fund Act and have increased leave eligibility under the Shops and Establishments Act. Mediclaim policy is also issued to employees, which ensures medical and accident cover for both employees and their immediate family.

Villgro Family Meet

Villgro family meet was organized on 1 October 2010 in Blue Bay Resort, ECR, Chennai. Villgro employees participated along with their families.

Awarding employees

The Villgro Annual Awards recognized and honoured employees for their outstanding work. Three employees were honoured during the annual meet. Mr. Reihem Roy was given Villgro's Initiator Award for his work on the Villgro Fund. Ms. Priyadarshini was awarded Villgro's Lightning Award for streamlining administration activities. Mr. James Rajanayagam was awarded the Long Service Award for his contribution to Villgro since 2005.



"Team Villgro" at the Villgro family meet

Work plan session (March 31 session) – This session comprised of launch of the work plan and the quarterly review meeting of quarter 4 of the financial year April 2010 to March 2011. It was held at MGM Quality Inn, Muthukaadu. Villgro's transparent organizational culture was reflected in "Villgro Listening" session, where the management and the employees came together on a common forum to discuss common issues and grievances.

Human Resource Information System (HRIS) & Biometrics System

HRIS of Villgro is a database or repository of storing, sharing and retrieving information about the employees and the activities associated with it.

Way Forward: 2011-12:

Talent Development Programme will aim at providing right talent to Villgro. The TDP team, will build the capacities of its talent through coaching sessions, leadership training, career planning exercises, and will create teams with complementary skills and networks of available skill sets.

TDP will continue to provide talent services to incubatees in the form of fellows. It will also provide recruitment services to incubatees.

KM



Knowledge Management

Initiated in February 2008 to question, probe, answer, inform, show, illuminate...

The Knowledge Management programme produces knowledge at the intersection of innovation, entrepreneurship and the rural poor, and disseminates this knowledge to stakeholders in the field of innovation and social enterprise. By indicating the strategies and partnerships that are effective for the core business processes of scouting, screening, incubation, and sales, to the organization, the Knowledge Management Programme helps advance pro-poor innovation and social enterprise.

Ensuring Villgro leverages information effectively:

The KM programme enables Villgro and its frontline programmes (RAMP and Villgro Stores) to:

1. Make mission-critical decisions, based on a robust Management Information System (MIS). For example, with Villgro's scouting process, an MIS records data like the amount of funds spent on various scouting strategies, the number of resulting leads, the number of leads converted to applications among others. It thus reveals the strategies with best returns.

2. Easily link information units, which have been systematically archived and documented by KM: For example, using the data gathered by KM, the Villgro Operations Team can create "screening templates" that pull together information on different aspects of each innovation, including assessments of technology, competing products, innovativeness, innovator capacity among others.

3. Probe and make sense of information, thus gaining a better understanding of practices that work, through research, evaluation (impact assessment) and learning sessions.

Mission

To enrich rural lives by enabling innovations to reach the market.

Objectives:

Develop a knowledge bank through conducting primary research and conducting secondary research



- Organizing 'Learning Saturdays' for Villgro employees
- ? Evaluating Villgro's impact
- ? Building capacities through 'Learning @ Villgro'

Activities and services offered:

KM engages in the following activities and services:

1. An online platform for Knowledge Management (the KM blog)
2. Primary and secondary research on why innovations and innovation-based enterprises succeed or fail.
3. A minor course at IIT-Madras, teaching the basics of innovation and social enterprise.
4. Learning initiatives (Learning @ Villgro).
5. Creating access to updated archives of information.

Achievements in 2010-11

Primary Research

The IDRC Project proposal was finalized and submitted towards the end of the previous financial year. During the approval stage of the project, KM endeavoured to put in place the preliminary research needed to structure the project. This process involved a period of stakeholder engagement, during which the team spoke to several industry stakeholders in order to better understand the issues and challenges worth exploring through further primary research. The stakeholder engagements led to the "Research Framework" that put together several relevant questions for researchers.

Once the grant was approved in November 2010, work began on consolidating the systems and processes that were

necessary to execute the project. This involved identifying, and establishing the Research Advisory Committee to guide the research project, and finalize the Research Framework.

The project was officially launched on March 3, 2011, at the IIT M Research Park. Prof. M.S. Ananth, Director – IIT-Madras presided over the function.

Secondary Research

The Villgro Research Blog was revamped towards the end of the last financial year. This year has seen around 80 articles added to the blog. Contributions have come from fellows, intern, Villgro staff and external contributors.



Learning Saturdays

During this financial year, Villgro's Learning Saturdays followed a systemic calendar and approach to topics.

Learning was divided into two levels:

1. Learning About incubating a Social Enterprise that included topics such as defining and measuring social impact, design for extreme affordability, building teams in social enterprises, scenario planning. Speakers included: Pankaj Jain - Acumen Fund, Morgan Spencer and Heather Fleming - Catapult Design, Ramesh Manickam - Centroid Design, Aarti Mahalingam – Universal Legal, Pari Jhaveri - Third Sector Partners, Devika Dharmaraj – Kelsa Solutions, and Ashutosh Sinha - Villgro Stores.

2. Learning about Agri Businesses that included topics such as industry landscape, access to markets and effect of small-scale mechanization at work. Speakers included R. Madhavan – Agriculture Consulting Management Foundation, Balasubramaniam – CIKS, Bharavi Mishra – NCDEX, Sreeram Chellappa – Sterling Agro, Gyanendra Singh – Central Institute of Agricultural Engineering.

This year, different learning formats were used such as panel discussions, field visits, group assignments and workshops.

Minor Course at IIT-Madras

After successfully completing one full cycle of the course, in August 2010, the Minor Course was offered once again to Engineering students. Villgro has been contributing to facilitating guest lectures, evaluating project work and delivering specific modules of the course.

Center for Social Innovation and Entrepreneurship (CSIE) at IIT-Madras

The Center for Social Innovation and Entrepreneurship (CSIE) at IIT-Madras was started in April 2010 with funding from the Lemelson Foundation, USA. The idea behind CSIE was to facilitate and grow aspects of social enterprise education and research within IIT. Villgro's role was to put in place the role of CSIE, within IIT, draw up the concept note and contribute to setting the guidelines for its operations. Two Villgro employees- Joseph Thomas and Ranjit Koshi, are members of the CSIE Governing Committee.

In the coming year, Villgro will continue to be involved in the establishment and running of CSIE.

Villgro Case Studies

Recognizing the lack of adequate documentation of Villgro's incubatee companies, and our role in the growth of so many enterprises, the Knowledge Management team initiated work on putting together case studies on some of our portfolio companies. This was executed by engaging the

fellows who have worked with us over the course of the year. Each fellow was assigned the task of producing a case study elaborating on the story of the entrepreneur, a brief history of the growth of the enterprise, its value creation, the social impact it has created, and documenting Villgro's own role in its growth.

Four case studies have been completed so far (Cair Atlas, ROPE, e-Jeevika and Masuta). These are currently available on the Document Management System at Villgro; however there are plans to make them available on the Villgro website as well.

Way Forward: 2011-12

In November 2010, the Knowledge Management team was awarded a three-year grant by the International Development Research Centre, Canada, to conduct a multi-level study to understand the workings of innovation within the context of rural development. The project titled "Learning from pro-poor, market-driven innovation in India" conducts primary and secondary research into what enables and limits the growth and potential to scale technology innovation through enterprises.

The main objectives of the project are:

1. Conduct primary research intended to find evidence from social enterprises in India on where innovations have succeeded and failed in reaching the low-income market segment, and where there are unmet needs. The information that comes out of primary research will be used as the basis for course materials on innovation and social entrepreneurship.
2. Disseminate primary and secondary research on innovation and social entrepreneurship (as practitioner experience is not easily accessible). This research will be disseminated to academicians, practitioners and students, resulting in a basic understanding of innovation and social entrepreneurship for all three groups.

3. Monitor and evaluate Villgro's impact based on the outcomes from innovations incubated.

The IDRC grant will also fund Knowledge Management's other projects, such as the Research Blog, Learning Saturdays, and the Minor Course at IIT-Madras.

Governance

Board of Directors



Rathin Roy

Mr. Roy is Consultant to international agencies such as the

Food and Agricultural Organization, the Department of Foreign and International Development (UK) and the International Fund for Agriculture Development. An engineer from IIT-Madras, Mr. Roy has considerable experience in strategic planning for development organizations.

Vineet Rai

Mr. Rai is CEO of Aavishkaar India Micro-Venture Fund and has a decade of experience in small business incubation, innovative technologies and the SME sector. Earlier, Mr. Rai was CEO of Gujarat Grassroots Innovations Augmentation Network (GIAN), a business incubation fund.



P. Mukundan



Mr. Mukundan is Executive Director, Servals Automation. He is also the past Chairman of All India Manufacturers Organisation

(AIMO) and past Vice-President of the Tamil Nadu Tiny and Small Industries Association (TANSTIA). Mr. Mukundan brings with him strong networks with small-scale entrepreneurs, Government and Non-Governmental agencies associated with small-scale enterprises.

Mustafa Moochala



Mr. Moochala is a human resources specialist. He established the operations of

PRADAN in Madhya Pradesh, after graduating from IIM-A. He then switched to the for-profit sector and was one of the early team members of Ma Foi, a reputed HR consulting firm based in Chennai. Mustafa brings to Villgro a focus on people and related issues.

Prof. Dr. R. Nagarajan



Prof. Nagarajan is currently a Professor at the Department of Chemical Engineering at IIT-Madras. He is also the Advisor to the Office of Alumni Affairs at IIT-

Madras. Prior to being the Board member, he was the Principal Coordinator of L-RAMP at IIT Madras.

4 Board meetings were held this year.

Subcommittees of the Villgro Board

Investment Committee – Mr. Vineet Rai and Mr. L. Kannan
Revenues and Audit Committee – This Committee closely reviews the revenues and expenses of Villgro. Mr. Vineet Rai serves on this Committee. The Committee is convened by the Head – Finance and Admin. Internal auditors are invited to attend this Committee.

All the Committees chaired by a Board Member, convened and organized by the respective Programme Head.

Management Committee

While the Villgro Board will provide strategic vision and be statutorily responsible for Villgro, the Management Committee (MC) will serve to improve strategic and operations management at Villgro. The MC will institutionalize and make decision-making more inclusive and collective.

The key roles of the MC are the following:

- **Recruitments:** Take final decision on all recruitments from the level of Associates up and on non-budgeted recruitment.
- **Organizational programmes:** Decide on appropriate organizational structuring of programmes based on recommendations of the Programme Heads.
- **Transfer:** Decide on transfer of team members between programmes, fix compensation for all team members other than for itself. Compensation for the Management Committee will be fixed by the Talent Committee of the Board, chaired by Mustafa Mochala.
- **Remuneration:** Decide on all promotions, and increments based on recommendations of the Programme Heads.
- **Recommend to the Board suitable organizational policies and frame rules with regard to implementation of policies.**
- **Review of Villgro's organizational strategies.**
- **Decisions on aspects such as misconduct and disciplinary issues.**

The MC is comprised of Mr. Paul Basil, Chief Executive Officer, and Mr. Joseph Thomas, Chief Technology Officer.

Processes and Systems

During the year, work began on developing processes and systems at Villgro. This included work on a Management Information System for Villgro that aids in decision making and strategy development.

Media coverage

Villgro's work received print media coverage in several English and vernacular publications such as Economic Times, Business Line, DARE, The Hindu, Times of India, Beyond Profit, and India Today, to name a few.

In the electronic media, Villgro has received coverage in Makkal TV, Kalignar TV, Suriyan TV, YourStory.in, Better India, Microfinance Focus, nextbillion, Huffington Post and Beyond Profit.

Financial Information and Donor Relations

The Lemelson Foundation

The Lemelson Foundation celebrates and supports inventors and entrepreneurs strengthening social and economic life. It uses its resources to recognize and celebrate accomplished inventors, to mentor young people and support their scientific curiosity and innovative spirit, and to research and disseminate information and technologies that enhance lives and elucidate the societal value of invention. Innovators in the developing world have useful perspectives for creating inventions and businesses to sustainably serve the poorest of the world's poor, yet they often lack the resources, access to markets, or technical expertise to move from concept to commercialization. To address these gaps, the Lemelson

Foundation has established Recognition and Mentoring Programs (RAMPs). The Lemelson Foundation funds the RAMP initiative in India through Villgro. The budget for the year 2010–11 was Rs. 7,35,44,762. During the year, Villgro utilized Rs.61,419,887.

Sir Dorabji Tata Trust

The Sir Dorabji Tata Trust (SDTT) was established in 1932 by Sir Dorabji Tata, son of Jamsetji Tata, with a vision for the advancement of India. It is one of the oldest, non-sectarian philanthropic organizations in India. SDTT operates in the spirit of idealism and is dedicated to nation-building activities. In the year 2010–11, SDTT provided support of Rs. 62,80,034 of which Villgro utilized Rs. 46,29,380.

HIVOS

HIVOS is a Dutch non-governmental organization inspired by humanist values. In partnership with local organizations in developing countries, HIVOS seeks to contribute to a free, fair and sustainable world in which citizens – women and men – have equal access to the resources and opportunities for their development. HIVOS supports Villgro in its Innovator to Entrepreneur initiative. The budget from HIVOS for the year 2010–11 was Rs. 41,93,052, of which Villgro utilized Rs. 26,41,442.

Rockefeller Foundation

The Rockefeller Foundation was established in 1913 by John D. Rockefeller, Sr. to "promote the well-being" of humanity by addressing the root causes of serious problems. The Foundation supports work around the world to expand opportunities for poor or vulnerable people and to help ensure that globalization's benefits are more widely shared. With assets of more than \$4 billion, it is one of the few institutions to conduct such work both within the United States and internationally. The Rockefeller Foundation approved a three-year grant for the UCID and TDP

programmes of Villgro in 2008–09. The budget for the year 2010–11 was Rs. 13,245,347, of which Villgro utilized Rs. 13,166,002.

ANDE

The Aspen Network of Development Entrepreneurs (ANDE) is a global network of organizations that invests money and expertise to propel entrepreneurship in emerging markets. Officially launched in 2009, ANDE is a member-driven organization housed within the Aspen Institute, an international non-profit that promotes enlightened leadership. ANDE identifies common strategic challenges and opportunities facing SGBs, and, based on these findings, provides programs and services for our members and the sector as a whole. ANDE has approved a grant of Rs.18,92,753 for two years of which the amount utilized in 2010–11 was Rs.56,29,56.

IDRC

The International Development Research Centre (IDRC) is a Crown Corporation created by the Parliament of Canada in 1970 to help developing countries use science and technology to find practical, long-term solutions to the social, economic, and environmental problems they face. Its support is directed toward creating a local research community whose work will build healthier, more equitable, and more prosperous societies. IDRC has approved a grant of Rs. 45,60,000 of which Rs.4,31,004 has been utilized.

Conclusion

2000- 10 was a year of new initiatives, 2010- 11 is a year of consolidation. Villgro has learnt from the new initiatives and removed flab moving to a leaner more efficient organization rationalising services and growing only where necessary. 2011-12 will see continued focus and growth in the core area of incubation. This consolidation leading to growth is clearly visible in our plans for the next year.

Villgro Innovations Foundation

Balance Sheet as at 31st March 2011

Description	Sch.	As At 31st March 2011	As At 31st March 2010
I. Source of Funds:			
1. General Fund	1	6,905,075	6,797,764
2. Project Fund	2	18,012,154	31,470,302
	Total	24,917,229	38,268,066
II. Application of Funds:			
1.Fixed Assets:	3		
Gross Block		6,189,719	5,528,813
Less. Depreciation		2,537,698	1,644,081
Net Block		3,652,021	3,884,732
2. Current Assets, Loans & Advances	4	21,754,869	39,592,993
Less. Current Liabilities & Provisions	5	489,661	5,209,659
Net Current Assets		21,265,208	34,383,334
	Total	24,917,229	38,268,066
Notes on Accounts	6		
The Schedules referred to above form an integral part of the Balance Sheet			

Vide our report of even date annexed

For and on behalf of the Board

(Felix Madiath)

Chartered Accountant

Place: Chennai.

Date : 15.07.2011

Director

Director

Villgro Innovations Foundation

Income & Expenditure Account for the year ended 31st March 2011

Description	For the Year 2010 - 2011	For the Year 2009 - 2010
I. Income:		
Interest	42,168	27,107
Other Income	254,404	305,740
Total	296,572	332,847
II. Expenditure:		
Depreciation	944,699	484,734
Samruddhi Expenses		365,405
Loss on Sale of Asset	87,947	
Total	1,032,646	850,139
Excess of Income over Expenditure	(736,074)	(517,292)

Vide our report of even date annexed

For and on behalf of the Board

(Felix Madiath)

Chartered Accountant

Director

Director

Place: Chennai.

Date : 15.07.2011

Villgro Innovations Foundation

Receipt & Payment Account for the year ended 31st March 2011

Description	For the Year 2010 - 2011	For the Year 2009 - 2010
Opening Cash & Bank Balances	36,726,862	19,728,091
RECEIPTS:		
Grants	48,068,826	64,527,854
Interest	1,249,347	1,235,187
Programme Receipts	-	305,740
Contributions	116,380	1,301,625
Other Income	254,404	93,510
Samruddhi Income	-	277,413
Sale of Assets	43,450	-
Recovery of Advances & Deposits	1,325,976	689,532
Sub-total	51,058,383	68,430,861
Total	87,785,245	88,158,952
PAYMENTS:		
Relief of the Poor and Education:		
Innovation to Market Programme & Rural Innovations Fund Initiative	3,033,672	3,000,557
Lemelson Recognition and Mentoring Programme	43,881,136	34,617,111
Learning from Low Income Driven Innovation	431,004	
Rang Shiksha: Financial Literacy Programme for Artisans	237,500	
Create awareness in rural consumers for clean energy cook stoves & lamps	304,000	
Pilot a new technology to remove chemical contamination	902,500	
User Centred Innovation Development & Talent Development Programme	13,403,235	6,848,910
Villgro Training Program	559,048	37,393
Village Level Entrepreneur Programme	4,591,174	5,206,041
Project Scale	331,823	
Other Programme Expenses	39,220	
Advances & Deposits	1,455,273	1,722,079
Sub-total	69,169,585	51,432,090
Closing Cash & Bank Balances	18,615,660	36,726,862
Total	87,785,245	88,158,952

Vide our report of even date annexed

(Felix Madiath)

Chartered Accountant

Place: Chennai.

Date : 15.07.2011

For and on behalf of the Board

Director

Director

SCHEDULE 3: FIXED ASSETS

Sl No.	Name of Asset	Gross Block				Depreciation				Net Block	
		As at 01.04.2010	Additions	Deletions	As at 31.03.2011	As at 01.04.2010	For the year	Deletion	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
1	Furniture & Fittings	2,300,535	412,422	113,844	2,599,113	328,199	389,923	38,169	679,953	1,919,160	1,972,336
2	Electrical Fittings	444,219	-	-	444,219	-	80,404	-	80,404	363,815	444,219
3	Office Equipment	848,549	168,752	62,101	955,200	112,422	110,053	7,755	214,720	740,480	736,127
4	Computers	1,935,511	262,211	6,534	2,191,188	1,203,461	364,319	5,158	1,562,622	628,566	732,050
	Total	5,528,813	843,385	182,479	6,189,719	1,644,081	944,699	51,082	2,537,698	3,652,021	3,884,732