



OVERVIEW

As we look back on the past year, the Sir Dorabji Tata Trust (SDTT) and Allied Trusts have taken several unconventional strides forward. In our grant making path, many new partnerships have been created while older ones have been re-established and renewed.

Several of the Allied Trusts have not only increased their yearly disbursements, but also harmonized with Sir Dorabji Tata Trust's thrust areas and priorities and yet created distinct identities of their own. Collectively, SDTT and its Allied Trusts are considered to be one of the largest indigenous donor foundations in the country, and have stayed true to the ideals of our founders.

The theme of the Annual Report 2005-2006 is Innovation. This stems from what a grantee once mentioned that innovation was the cornerstone of their work. As we flesh out this idea in our Annual Report through the profiles, it is evident that without an innovative approach to development, most partners would not have met with the several successes that they have achieved today.

Many of the projects sanctioned in 2005-2006 are unique and path-breaking, and will impact society in a way that future generations will respect and appreciate.

In Kolkata, the Tata Trusts have taken the first step towards setting up the Tata Medical Centre, a unique, first-of-its-kind cancer hospital servicing the East and North-East regions of the country. The Sir Dorabji Tata Trust along with the Jamsetji Tata Trust have sanctioned grants of Rs 400 million and Rs 150 million respectively, towards the 150-bed, proposed hospital. It is located on a 10-acre site in the developing region of Rajarhat, Kolkata.

The Tata Medical Centre will run on lines similar to the Tata Memorial Centre, Mumbai. A core committee has been set up to give technical inputs. The committee will oversee the implementation of the new project, which is envisaged to become a state-of-the-art, tertiary care centre for cancer, promoting prevention, cure, rehabilitation and palliation.

Given the fact that there are an estimated two-and-a-half to three million cases of cancer in the country at any given time (out of which nearly one million cases were diagnosed in 2005), this initiative is considered as a timely step in the crusade against cancer.

An important new development has been the Trust's engagement with the Sir Ratan Tata Trust's Central India Initiative (CINI) which looks towards livelihood enhancement in 100 tribal districts of central India in the states of Madhya Pradesh, Maharashtra, Rajasthan, Chhattisgarh, Jharkhand, Orissa and West Bengal. In the past year, the CINI cell has been set up at the International Water Management Institute (IWMI), Anand and a steering committee has been formed and convened; a broad strategy has also been approved.

A series of consultative meetings have been held across the country on the possibility of setting up a national-level Institute of Education. In the coming months, it is envisaged that the core committee comprising several educationists and anchored by Anil Bordia of the Foundation for Education and Development, Rajasthan, will chalk out future plans towards operationalizing the Institute.

In the North-East, a new and unexplored area of work for the Trust, the first steps towards working with partners on livelihood enhancement and management of natural resources have been taken in the form of a consultative workshop held in January 2006. It is hoped that several doors towards participatory development models will be opened shortly.

Internally, the Trust has been redefining roles and priorities as well as reflecting on the best possible way towards our grant making and nation building activities. A strategic planning process has been initiated in 2005-2006 and is likely to be played out through the coming year. The exercise will result in

providing comprehensive direction to the Trust for future grant making.

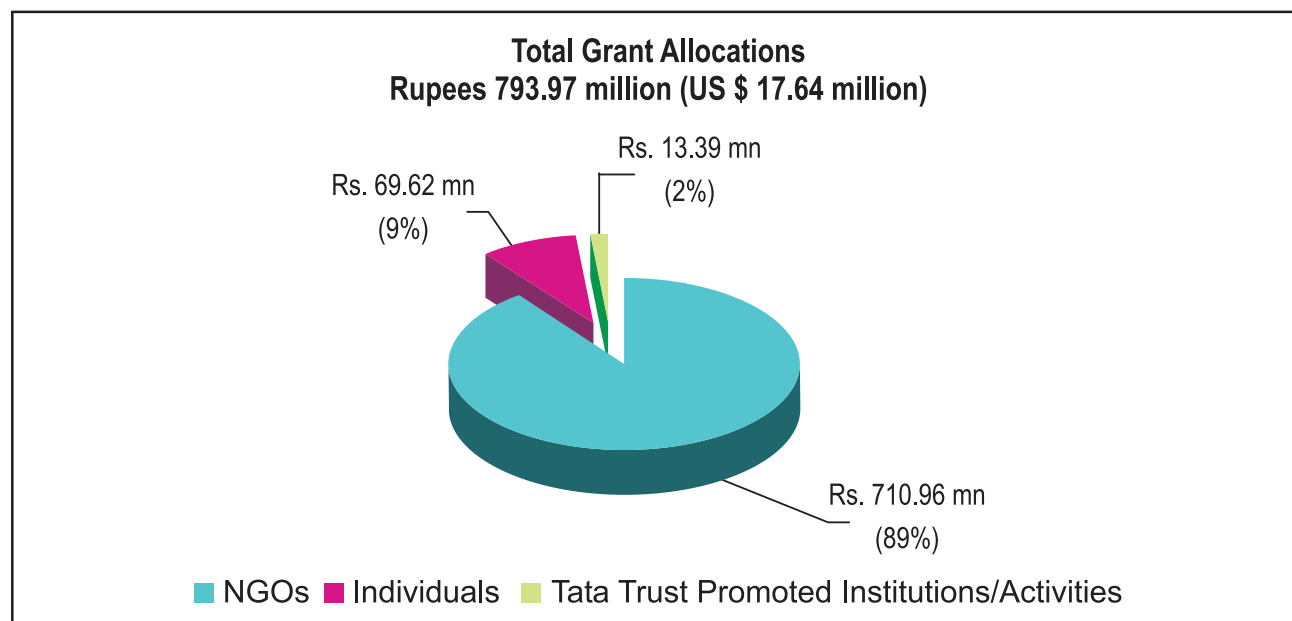
The Trust is also focusing on developing a proactive approach towards communication and dissemination of best practices and learnings. With this in mind, the Trust has launched its website in February 2006. We invite our partners and well-wishers to log on to www.dorabjitatrust.org and help make it as interactive and informative as it possibly can be.

Also in February 2006, the 15th Dorab Tata Memorial Lecture was held in Mumbai with Rudy Giuliani, former mayor of New York as the keynote speaker.

While we move ahead, the Trust is grateful to all its partners for their work, many of whom face challenging situations in their day-to-day functioning and despite these difficulties, or in some cases because of them, have made a meaningful contribution to our country's development and growth.

Financial Overview 2005-2006

Sir Dorabji Tata Trust (SDTT) disbursed a total amount of Rs 793.97¹ million (US \$ 17.64 million) during the period April 2005-March 2006 as compared to Rs 719.83 million in the last financial year. This amount was disbursed to the three broad areas which define the grant-making pattern of the Trust. They comprise Tata Trust Promoted Institutions/Activities, Non Governmental Organizations (NGOs) and Grants to Individuals. Disbursements to all three sectors have broadly followed the same pattern over the last three years with NGOs having the predominant share of 89 percent, followed by Individuals with 9 percent and Tata Trust Promoted Institutions/Activities with 2 percent in 2005-2006.



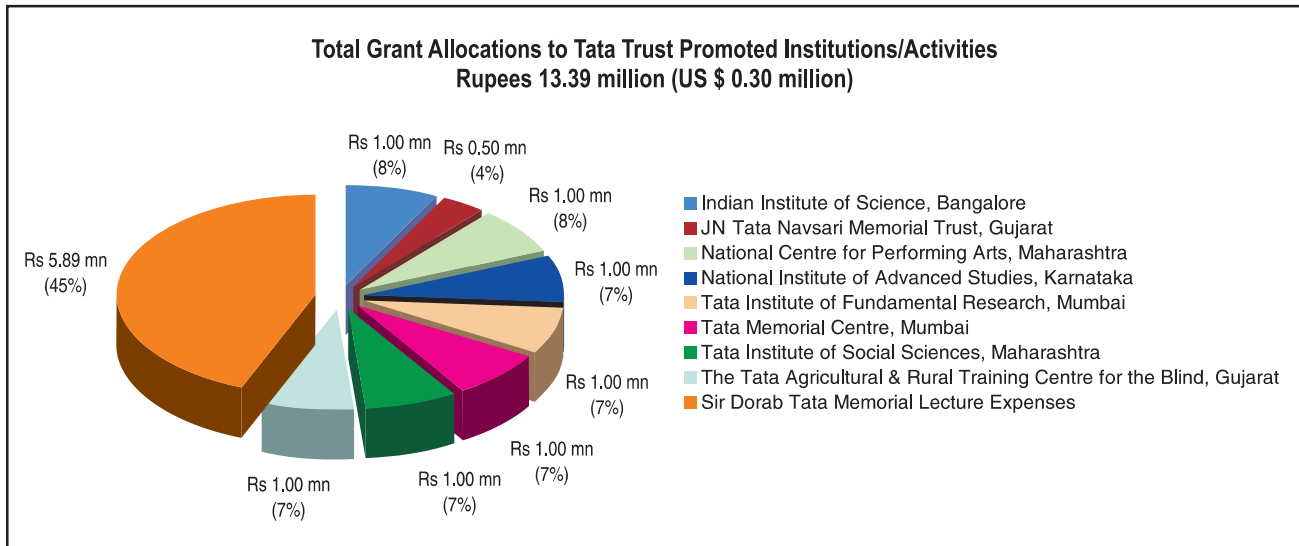
The Institution category comprises Institutions which have been promoted by the Trust and continue to receive program and recurring grants for specific purposes.

The NGOs represent voluntary organizations which are active in the five sectors of Management of Natural Resources, Livelihood, Education, Health and Social Development Initiatives. The Social Development Initiatives sector is further divided into seven sub-themes which include Community Development Initiatives, Civil Society, Human Rights, Family Welfare (Women and Child Rights), Physically and Mentally Challenged, Art and Culture and Relief.

The Individual category includes medical, educational and travel grants given to individuals.

The support given to Tata Trust Promoted Institutions/Activities increased to Rs 13.39 million (US \$ 0.30 million) in 2005-2006 as compared to Rs 10.59 million in the previous year.

¹ The figure is gross of unutilized grants disbursed in earlier years, returned during 2005-2006

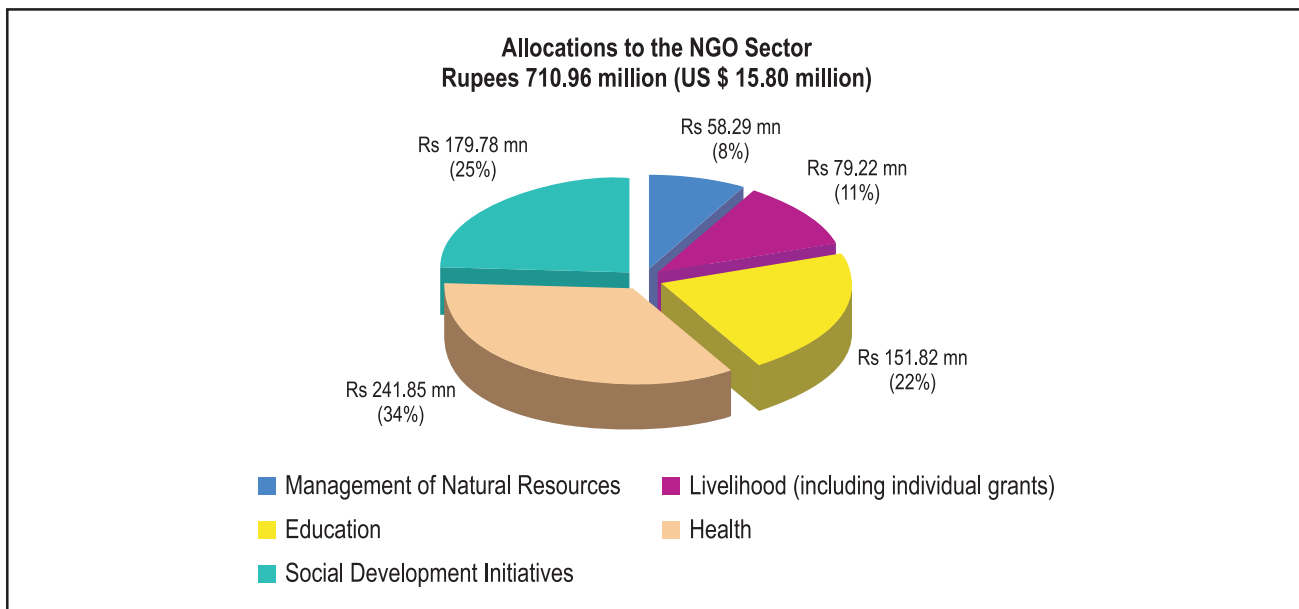


The Trust supports a range of NGOs working in different sectors across the country. Disbursements to this sector aggregated to Rs 710.96 million (US \$ 15.80 million). This was a modest increase in the support from the previous year when the disbursements to the NGOs as a whole were Rs 657.90 million.

There are some variations within the sectoral break up. The Management of Natural Resources sector accounted for 8 percent of NGO disbursements amounting to Rs 58.29 million as compared to 25 percent and Rs 167.71 million in 2004-2005. Grants worth Rs 13.78 million committed in the year under report have been carried forward to the next financial year due to underutilization and extension in the program time schedule. At 11 percent, the Livelihood sector disbursed Rs 79.22 million, which was almost on par with the previous year. This was due to the fact that 2005-2006 was largely a period of consolidation and fewer new grantees were added during this year. Program and geographical responsibilities were realigned, fresh recruitments were made, and the NRM and Livelihood sectors were merged.

Support to Education has dipped slightly and accounted for 22 percent and Rs 151.82 million as compared to 26 percent of the share and Rs 168.90 million in 2004-2005. Grants worth Rs 23.33 million sanctioned during the year were carried forward into 2006-2007.

The spend on Health in 2005-2006 increased to Rs 241.85 million and 34 percent as compared to the disbursement in the previous year of Rs 57.11 million. The sector showed a sharp increase since Tata Medical Centre Trust, West Bengal was initiated in the year 2005-2006 with a grant of Rs 200.00 million

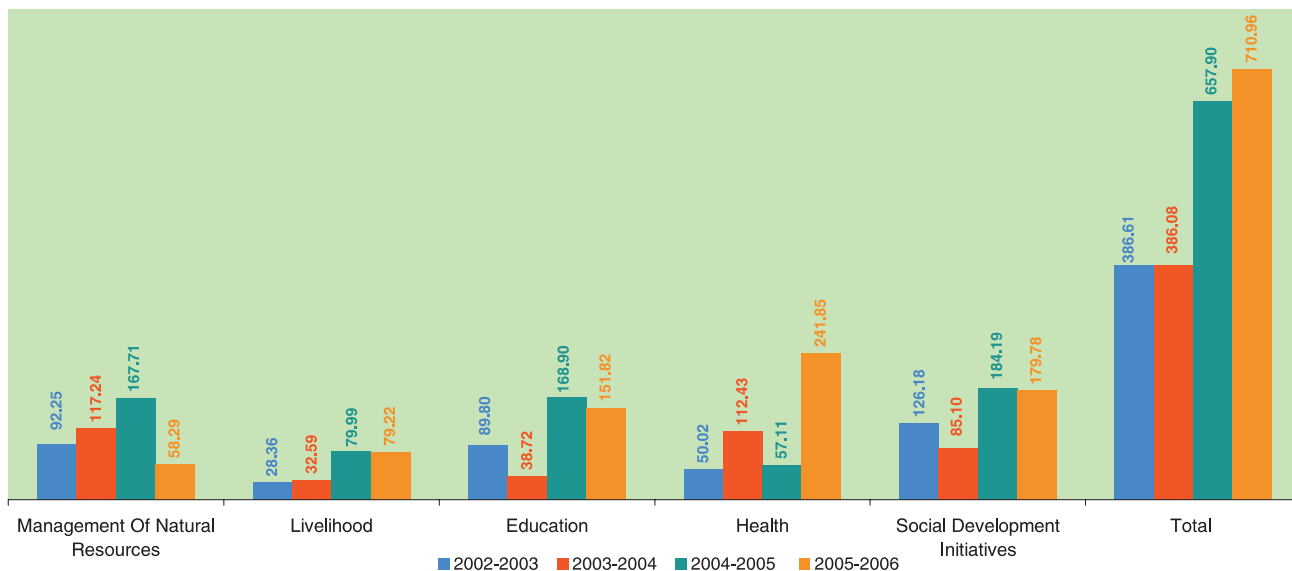


from the SDTT and further support from the Allied Trusts.

The Social Development Initiatives sector has registered a dip. In 2005-2006, it accounted for 25 percent (Rs 179.78 million) of the total spend in the NGO sector as compared to Rs 184.19 million in the previous year. This is explained by a few significant disbursements made during the previous year to organizations and a strengthening of the corpus of the JRD and Thelma J Tata Trust. In addition an amount of Rs 7.89 million was disbursed last year towards Tsunami relief and rehabilitation programs. There is an ongoing dialogue within the Trust on how we should view this sector since many of the themes are cross-cutting, and attempts are being made through the strategic planning process to address this question.

Viewed over the last four years, all sectors have registered favourable growth trends. The year 2005-2006 has also been a period of external review and internal reflection which will culminate in a five-year vision document for the Trust along with a two-year rolling operational plan. This will facilitate a sharper focus and better documented impact of our work.

Disbursements to NGO programs from 2002-2003 to 2005-2006 (Rupees in million)



Individual grants given to deserving individuals for the purposes of travel and education (27 percent) and medical treatment (73 percent) totalled Rs 69.62 million in 2005-2006, an increase over the previous year's figures of Rs 51.34 million.

