

“No child in India  
shall be deprived of education  
because of hunger.”

**Registered Office:**

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H K Hill, Chord Road  
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# the pOwer to change

The Akshaya Patra Foundation Annual Report 2008-2009





1,091,000...



Thanks to  
**INFINITY**  
Sponsor for Printing of this Annual Report

# the pOwer of voice

## KARNATAKA

### Bangalore

It was a brave new dawn for Darshan, 21, a resident of Bangalore, as the Akshaya Patra van drove into premises of his school only a few years ago. Darshan reminisces about the very first time he ate the Akshaya Patra meal; it had been his first nutritious one in months. For the smart young man, the food not only served to quell his hunger but stimulated his interest in education as well. A scholarship from the Akshaya Patra Foundation saw him through high school. Darshan is now on the verge of completing his graduate studies in Engineering and is looking to begin his career track with HCL technologies. To sum it all in his own words- "The Akshaya Patra Foundation is proud of me. Akshaya Patra helped me a lot by giving me food, because a growing child cannot study well on an empty stomach. Without the scholarship provided by Akshaya Patra I perhaps would not have been able to pursue my new interest in education, let alone land a job with a leading technology firm."

### Dharwad

Mr. S.M. Gangawati, Assistant Head Master of the Government Higher Primary School, points out that the school had a very high drop out rate before the Akshaya Patra program started. At present, the school is recording increase in attendance and the number of admissions to the school is also steadily on the rise.

## ANDHRA PRADESH

### Anantpur Dist

R. Triveni and Soumya who study in the Class VII of Mandal Parishat Upper Primary School, are children of daily wage workers and they come to school hungry. As the Akshaya Patra meal is their first meal of the day, they eagerly look forward to it.

## ORISSA

### Bhubaneshwar

Mrs Prema Leela, Principal and teachers of the Government Lower Primary school, express deep appreciation for the nutritious food being served by the Akshaya Patra Foundation. A couple of teachers have even switched to the Akshaya Patra meal.

### Puri

Teachers at the Lower Primary School draw attention to the fact that most students in their school are children of migrant labourers. They leave their children behind to study in the school mainly because of the Akshaya Patra meals.

## RAJASTHAN

### Dahlawar

Life is not the same anymore for Rinky, a student of Class 1 of Government Primary School, Dahlawar. She has bid her fainting spells goodbye after the introduction of Akshaya Patra mid-day meals in this school. Rinky, the eldest of the six children in her family, is the only one who comes to school, while the rest stay at home. She takes home any left over food from the school to share with her siblings. Thanks to Akshaya Patra, at least Rinky gets to eat a full meal everyday.



**2000 - 2009**  
*9 years of transforming lives*

## BOARD OF TRUSTEES



Madhu Pandit Dasa  
*Chairman*  
*The Akshaya Patra Foundation*



Chanchalpathi Dasa  
*Vice Chairman*  
*The Akshaya Patra Foundation*



Chitranga Chaitanya Dasa  
*Program Director*  
*The Akshaya Patra Foundation*



T V Mohandas Pai  
*Board Member &*  
*Director - Human Resources*  
*Infosys Technologies Ltd.*



Abhay Jain  
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*Head - Group Corporate Affairs*  
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Ramadas Kamath U  
*Vice President (Fin & Admin)*  
*Infosys Technologies Ltd.*



V Balakrishnan  
*CFO*  
*Infosys Technologies Ltd.*



Raj Kondur  
*Chairman*  
*Nirvana Business Solutions*

## BOARD OF ADVISORS

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*Former Chief Justice of India*  
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*Cardiologist*  
*Narayana Hrudayalaya*

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*Managing Director*  
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Ramesh Ramanathan  
*Campaign Co-ordinator*  
*Janaagraha Communications*

B Swarup  
*Former Member*  
*Settlement Commission*  
*New Delhi*

### Kitchen locations

- The Akshaya Patra Foundation**  
H.K. Hill, Chord Road, Rajajinagar  
Bangalore-560 010
- The Akshaya Patra Foundation**  
8th Mile, Doddakallasandra Village  
Kanakapura Road  
Bangalore-560 062
- The Akshaya Patra Foundation**  
Behind KSFC Office, P.B Road, Rayapur  
Dharwad-680 009
- The Akshaya Patra Foundation**  
Sandur Bellary Road  
Shankar Gudda Colony  
Torongallu  
Bellary Dist.-583 275
- The Akshaya Patra Foundation**  
18th Cross, SY, No-31, Jaya Nagar  
Mysore-570 014
- The Akshaya Patra Foundation**  
Arya Samaj Road, Balamatta  
Mangalore-575 003
- The Akshaya Patra Foundation**  
ESTI Hostel Building  
Behind OTS  
Jhalana Doongri  
Jaipur-302 004
- The Akshaya Patra Foundation**  
Mehal Scheme, Jagathpura  
Jaipur-302 015

### Fund Raising – India

- The Akshaya Patra Foundation**  
H.K. Hill, Chord Road, Rajajinagar  
Bangalore - 560 010
- The Akshaya Patra Foundation**  
703, Shapath – 1, Opp. Rajpath Club  
S.G.Road, Ahmedabad-380 052

## LOCATIONS

**9. The Akshaya Patra Foundation**  
Padam Shree House, Old Jain Colony  
Old Civil Lane, Baran

**10. The Akshaya Patra Foundation**  
Samudayik Bhavan, NH-8  
Upalioden, Nathadwara  
Rajasmand-313 001

**11. The Akshaya Patra Foundation**  
Chhatikara Road  
Vrindavan, Mathura Dist.-281 121

**12. The Akshaya Patra Foundation**  
Balagandi, Grand Road  
Puri-750 001

**13. The Akshaya Patra Foundation**  
Bhapur Block, Nayagarh-752 063

**14. The Akshaya Patra Foundation**  
B / 152 - 153, Sector-25  
GIDC Gandhi Nagar-382 044

**15. The Akshaya Patra Foundation**  
Old Dairy Building, Behind Gurudwara  
Sector - 6, Bhilai-490 006

**16. The Akshaya Patra Foundation**  
No.E-11, IDA, Rd No.5  
Patancheruvu, Hyderabad-502 319

**17. The Akshaya Patra Foundation**  
Dr No. 26/14, Near R.K.Hospital  
Chinnagantayada, Gajuvaka  
Vishakapatnam-530 036

### Fund Raising – International

- The Akshaya Patra Foundation, USA**  
92 Montvale Avenue, Suite 2599  
Stoneham, MA 02180
- The Akshaya Patra Foundation, UK**  
# 9 Clavering Avenue  
Barnes, London SW138DX

THE AKSHAYA PATRA FOUNDATION  
HK Hills, Chord Road, Rajajinagar, 1st Block, Bangalore - 560 010  
FOREIGN CONTRIBUTION

FCRA Registration No: 094421037

Balance Sheet as on 31 March 2009

Source of funds	Schedule	Rs	Rs	Application of funds	Schedule	Rs	Rs
Asset Fund			75,065,759	Fixed assets			
				Opening Balance	A	68,685,448	
General Fund		69,029,285		Additions during the year		6,380,311	75,065,759
Add Excess of Income over Expenditure		24,493,553					
		93,522,838					
Less Transferred to Asset Fund		68,685,448	24,837,390	Staff Advance			100,000
				Prepaid Expenses			17,151
				Fixed Deposit			21,115,535
				Bank Balance			3,604,704
			99,903,149				99,903,149

The schedules referred to above form an integral part of the balance sheet.

As per our audit report of even date,  
for Nath Associates  
Chartered Accountants.

for The Akshaya Patra Foundation

B.S. Manjunath  
Partner  
Membership No. F9743

Chunchalpathi Dasa  
Vice Chairman

Place : Bangalore  
Date : 31 Jul 2009

Place : Bangalore  
Date : 31 Jul 2009

Schedule A - Fixed Assets

Amount in Rs

Assets	As at 1 April 2008	Additions	Deductions	As at 31 March 2009
Land	-			-
Buildings	21,640,923	105,122		21,746,045
Leasehold improvements	-			-
Kitchen and related equipment	16,035,381	1,562,600		17,597,981
Office equipments	73,840	66,100		139,940
Computer equipments	267,503	263,435		530,938
Furniture and fixtures	365,745	63,981		429,726
Vehicles	14,700,309	2,685,597		17,385,906
Distribution vessels	15,601,747	1,633,476		17,235,223
<b>Total</b>	<b>68,685,448</b>	<b>6,380,311</b>	<b>-</b>	<b>75,065,759</b>

Dear Friends,

India today is a 1.2 trillion dollars economy and has increasingly been recognized as a major global power. A global power can thrive only if its citizens are empowered and productive. We do have a major challenge in this area. Over 700 million people live a subsistence existence and need to be fully empowered economically, politically and socially, to realise their full potential. India has the youngest population in the world and it is hoped that a young productive population will drive this growth to make sure that all Indians prosper. However, before this can happen, we need to make sure that every child is well nourished, educated and enabled to become productive.



Madhu Pandit Dasa

Today, about 44% of our children in the age group of 0-5 years are malnourished, about 50% never complete Class X and only 12.4% of them go to college. Akshaya Patra is a programme to tackle this challenge. Today we provide a hot, unlimited mid-day meal to 10,91,000\* children in about 6500 schools in 7 States in India. This massive programme has improved the health of the children, reduced malnutrition, increased attendance in schools, reduced the dropout rate, increased enrolment of the girl child and improved overall scholastic achievement. Akshaya Patra works with the Union and State Governments in this venture as a Public-Private Partnership. We believe that this fundamental investment in reducing hunger will change the context for India's children.



T. V. Mohandas Pai

We have been able to scale up operations due to the untiring efforts of the devotees of ISKCON-Bangalore, who untiringly make sure that food is delivered to all the children everyday. The staff and workers from the Foundation, our well wishers, donors, Trustees and Advisory Board Members, the Union and State Governments, our political leaders and concerned citizens are all to thank for this phenomenal growth. In our annual report we present to you our journey in serving the cause of India's children and seek your help to scale up our efforts further and make sure that every child in India is well nourished, well educated and fully empowered to realize his/her potential!

\* as on Oct 2009

<b>contents</b>	the pOwer of a mid-day meal	6	the pOwer to reach out	17
	the pOwer of education	8	States and Locations	18
	the pOwer to transform lives	10	Awards and Accolades	20
	the pOwer of values	11	all pOwer to you	23
	the pOwer of technology	12	Trustee Report	26
	the pOwer of commitment	16	Financial Statements	32
			the pOwer of voice	50



The provision of cooked mid-day meals in schools is an important step towards the right to food.



# pOwer of a mid-day meal

Particularly important for children who are deprived of nutritional security at the household level.



Mid-day meals help to protect children from “classroom hunger” - a mortal enemy of school education.



Schedules to the receipts and payments account

	Amount in Rs.
For the year ending March 31,	2009
<b>Receipts:</b>	
<b>A - Donations received through foreign Contribution Account during the year</b>	
<b>Donations received from</b>	
United States of America	63,414,469
Hong Kong	3,874,570
India	4,567,065
United Kingdom	88,011
Australia	68,006
Others	99,934
	<u>72,112,056</u>
<b>Payments:</b>	
<b>B - Cost of Food</b>	
Provisions and groceries	26,524,522
Fuel	779,447
Kitchen maintenance	480,741
Salaries, wages and bonus	118,516
Power and lighting	117,493
Water	126,290
Other kitchen related expenses	483,185
	<u>28,630,194</u>
<b>C - Distribution expenses</b>	
Salaries, wages and bonus	24,508
Vehicle hire charges	38,213
Fuel charges	685,599
Contract driver expenses	62,604
Vehicle maintenance	418,612
Insurance	10,645
Rates and taxes	32,025
	<u>1,272,206</u>

	Amount in Rs.
For the year ending March 31,	2009
<b>D - Publicity and promotion expenses</b>	
Marketing and public relations	4,115,405
Salaries, wages and bonus	155,077
Rent	92,325
Cultural event expenses	311,078
	<u>4,673,885</u>
<b>E - Administration Expenses</b>	
Salaries, wages and bonus	669,343
Contributions to provident fund	3,187,815
Security charges	122,820
Repairs and maintenance	22,799
Travelling and conveyance	199,693
Professional charges	798,980
Communication Expenses	188,470
Printing & stationery	136,620
Rent	309,632
Interest and bank charges	14,032
Insurance	211,626
Computer maintenance	34,950
Miscellaneous expenses	125,633
	<u>6,022,413</u>
<b>F - Purchase of fixed assets</b>	
Buildings	105,122
Computer equipments	263,435
Distribution vessels	1,633,476
Furniture and fixtures	63,981
Kitchen and related equipment	1,562,600
Office equipments	66,100
Vehicles	2,685,597
	<u>6,380,311</u>

# FCRA Financials

## CERTIFICATE

We have audited the accounts related to 'Foreign Contributions' receipts and utilization of THE AKSHAYA PATRA FOUNDATION, H K Hills, Chord Road, Rajaji Nagar, 1st Block, BANGALORE – 560010, (a registered charitable Trust and having FCRA Registration No.094421037) for the year ending 31st March 2009 and we have examined all relevant books and vouchers and certify that according to the audited accounts:

- (i) The brought forward foreign contribution at the beginning of the year was Rs. 3,43,836 ;
- (ii) Foreign contribution of/worth Rs. 7,22,63,147 (including interest of Rs. 1,51,091) was received by the Trust during the year 2008-09;
- (iii) the balance of unutilised foreign contribution with the Trust at the end of the year 31st March 2009 was Rs. 2,47,20,239;
- (iv) Certified that the Trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 13 of the Foreign Contribution (Regulation) Act, 1976 read with sub-rule (1) of rule 8 of the Foreign Contribution (Regulation) Rules, 1976.
- (v) The information in this certificate and in the enclosed Balance Sheet and Statement of Receipt and Payment is correct as checked by us.

FOR NATH ASSOCIATES  
Chartered Accountants

Place: Bangalore  
Date: 31.07.2009

B S MANJUNATH  
Membership No F 9743

THE AKSHAYA PATRA FOUNDATION  
H K Hills, Chord Road, Rajaji Nagar, 1st Block, Bangalore - 560010  
FOREIGN CONTRIBUTION  
Receipts & Payments for the year ended March 31st March 2009

FCRA Registration No: 094421037

Receipts		Schedule	Rs.	Rs.	Payments		Schedule	Rs.	Rs.
Opening Balance									
Cash at K.C.T Bank			343,836	343,836	Welfare of Children :				
					Mid day meals to children - Program approved				
					by National Committee Social & Economic Welfare				
Donations received through foreign					Cost of Food	B.	28,630,194		
Contribution Account during the year	A.	72,112,056			Distribution expenses	C.	1,272,206		
Interest on fixed deposits		151,091	72,263,147		Publicity and promotion expenses	D.	4,673,885		
					Administration Expenses	E.	6,022,413		
					Vidhya Akshaya Patra		790,584		
					Loans and Advances		117,151		
					Purchase of fixed assets	F.	6,380,311	47,886,744	
					Closing Balance				
					Investments in fixed deposit		21,115,535		
					Balance with K.C.T Bank		3,604,794	24,720,239	
					TOTAL		72,606,983	TOTAL	72,606,983

The schedules referred to above form an integral part of the receipts and payments account.

As per our audit report of even date:  
for Nath Associates  
Chartered Accountants

for The Akshaya Patra Foundation

B.S.Manjunath  
Partner  
Membership No.F9743

Chandraguthi Dasa  
Vice Chairman

Place: Bangalore  
Date: 31 Jul 2009

Place: Bangalore  
Date: 31 Jul 2009

It's proven that mid-day meals are effective in improving school enrollment and attendance. In that respect mid-day meals contribute not only to the right to food, but also to the right to education.

Mid-day meals with the appropriate nutritional profile ensure full cognitive development of children.



## enhances physical and emotional well-being of children

Mid-day meals help to undermine caste prejudices, by teaching children to sit together and share a common meal.



Mid-day meals help to reduce the gender gap in school participation, as families tend to send their female children to school due to the provision of food.

The Mid-day meals help to liberate working women from the burden of having to feed children at home during the day.

Mid-day meals can be viewed as a source of economic support for the poorer sections of society.



## Schedules to the Receipt & Payments account

In the best of all possible worlds, every child should get an early start on the road to a life of learning. Education is the best way we know to give the next generation the tools and understanding they need to make the world a better place for themselves. The Akshaya Patra Foundation wants to see more children enrolled in school.

In India about 13.5 million children between the age group of 6 and 13 are out of school. They are doing menial jobs to fend for themselves and their families and they are missing out on the benefits of education, the key to significantly improve the quality of life. Unless invested in, these children will grow into illiterate adults. With India on the threshold of development and socio-economic prosperity, it is imperative for these children to be incorporated into mainstream society, with its myriad opportunities for good education, health and better careers.

The direct link between poverty and lack of educational opportunities has been demonstrated repeatedly. One cannot teach a hungry child, and hence, millions of rupees spent on interventions promoting the education of underprivileged children fail to produce the expected results. Education is the single most powerful factor to take an entire family out of the cycle of poverty. Documented studies show that within one generation, education can significantly improve the quality of life.



Hetal-GPS, Gandhinagar

**H**etal is studying in the fifth standard. Her father is a daily wage earner with no fixed income. So there were many days when the entire family subsisted without even one full meal. Though her mother wanted her to go to school, Hetal was often tempted to work with her mother as a domestic help so that she could ensure at least one full meal for herself. Education and going to school were distant dreams. However, with Akshaya Patra meals, Hetal's parents were motivated to send her and all her brothers and sisters to school every day.

She now comes to school regularly and has made considerable progress in studies. As she waits eagerly for lunchtime when she will get her only meal of the day, she is thrilled about sitting and eating together with many other friends.

When asked what she wants to pursue in the future, the innocent girl says with a sparkle in her eye, "a teacher".

"I don't have to bother about my children's hunger during the day. They are well fed and healthy now. Additionally they are studying well and will not be growing up illiterate like me," says Hetal's mother.



	Amount in Rs	
	2009	2008
<b>II - Distribution expenses</b>		
Distribution expenses as per income and expenditure account	118,160,896	100,172,044
Change in sundry creditors for expenses	(50,742)	(366,193)
Change in statutory liabilities	(109,024)	-
Change in accruals for expenses	(1,445,977)	(3,50,334)
Change in advances recoverable in cash or in kind	(28,437)	9,968
Change in prepaid expenses	821,001	569,502
Depreciation	(43,055,700)	(38,519,960)
Liabilities no longer required written back	(472)	-
Change in inventory of fuel	660,279	(822,962)
	<b>74,951,824</b>	<b>60,692,065</b>
<b>I - Publicity and promotion expenses</b>		
Publicity and promotion expenses as per income and expenditure account	29,484,679	20,573,272
Change in sundry creditors for expenses	2,929,181	(2,386,916)
Change in accruals for expenses	75,129	496,391
Change in advances recoverable in cash or in kind	(21,971)	63,971
Liabilities no longer required written back	-	(325,460)
	<b>32,467,018</b>	<b>18,421,258</b>

	Amount in Rs	
	2009	2008
<b>J - Administration and other expenses</b>		
Administration and other expenses as per income and expenditure account	51,404,659	46,170,533
Loss on write-off or sale of fixed assets, net	(141,325)	(211,223)
Change in sundry creditors for expenses	76,470	2,122,444
Change in provision for gratuity	592,118	(763,502)
Change in statutory liabilities	545,035	-
Change in accruals for expenses	(2,003,057)	(1,066,450)
Change in advances recoverable in cash or in kind	515,035	(68,975)
Change in prepaid expenses	554,770	-
Depreciation	(5,479,763)	(5,311,592)
Liabilities no longer required written back	(165,600)	-
	<b>45,898,342</b>	<b>40,871,235</b>
<b>K - Other programme expenses</b>		
Other programme expenses as per income and expenditure account	11,468,553	8,519,402
Change in sundry creditors for expenses	801,476	(1,500,968)
Change in accruals for expenses	(726,625)	-
Change in advances recoverable in cash or in kind	(31,006)	624,909
	<b>11,512,398</b>	<b>7,643,343</b>
<b>L - Income tax expenses</b>		
Income tax expenses on anonymous donations as per income and expenditure account	-	155,505
Change in provision for tax	105,099	(116,703)
Change in advance tax	150,599	245
	<b>255,698</b>	<b>39,047</b>



Amount in Rs.			Amount in Rs.		
As at March 31,	2009	2008	As at March 31,	2009	2008
<b>Receipts:</b>			<b>Payments:</b>		
<b>A - Donations</b>			<b>E - Purchase of fixed assets</b>		
Donations in cash			Additions as per balance sheet	180,308,569	142,506,429
- received in India towards feeding	256,481,159	132,552,321	Assets received as donations	(6,771,615)	-
- received in other countries towards feeding	47,069,836	65,986,295	Change in sundry creditors for capital goods	8,095,365	(2,601,550)
- received in India towards fixed assets	2,258,926		Change in retention monies payable	(1,063,903)	(1,904,690)
- received in other countries towards fixed assets	44,900		Change in capital work in progress	(60,256,403)	44,812,594
Change in trust fund receipts	78,756,641	55,373,879		<b>120,312,013</b>	<b>182,812,783</b>
Change in endowment fund receipts	5,006,000	300,000	<b>F - Loans and advances</b>		
Change in deferred income from donations			Change in salary advances	425,558	120,583
- received towards feeding	(1,882,311)	74,293,021	Change in deposits	2,183,180	861,436
- received towards fixed assets	20,467,275	13,505,500	Change in advances recoverable in cash or in kind	1,074,154	-
	<b>408,202,426</b>	<b>342,011,016</b>		<b>3,682,892</b>	<b>982,019</b>
<b>B - Cash subsidies from government and government bodies</b>			<b>G - Cost of food</b>		
Cash subsidies from government and government bodies	335,137,624	258,400,094	Cost of food as per income and expenditure account	490,219,642	400,544,058
Change in cash subsidies receivable from government and government bodies	(33,191,824)	3,442,874	Change in inventory of provisions and groceries	2,915,821	1,622,456
Change in cash subsidies from government and government bodies received in advance	(7,075,640)	8,205,463	Change in sundry creditors for expenses	(6,235,173)	(14,410,996)
	<b>294,870,160</b>	<b>270,048,431</b>	Changes in statutory liabilities	(466,480)	-
<b>C - Other receipts</b>			Change in accruals for expenses	2,479,091	(4,560,643)
Interest income as per income and expenditure account	4,488,816	566,742	Change in advances recoverable in cash or in kind	(452,229)	959,241
Change in interest accrued and not due	(1,881,636)	154,592	Change in prepaid expenses	(913,900)	-
Miscellaneous income	1,921,627	911,379	Liabilities no longer required written back	(53,096)	(11,088)
Profit on sale of shares received as donation	-	115,250	Change in inventory of spares	436,987	-
Other program receipts	5,169,921	3,107,020	Depreciation	(53,001,847)	(34,874,731)
	<b>9,698,728</b>	<b>4,854,983</b>	Donations received in kind	(1,984,567)	(10,074,365)
<b>D - Sale of fixed assets</b>			Grants of food grains from government and government bodies	(66,291,878)	(59,885,793)
Book value of assets sold, net	200,905	361,223	Change in grant of food grains from government and government bodies received in advance	(3,279,175)	(4,020)
Loss on write-off or sale of fixed assets, net	(141,325)	(211,223)		<b>363,373,196</b>	<b>279,304,119</b>
Profit on sale of fixed assets, net	564,361	-			
	<b>623,941</b>	<b>150,000</b>			

“After the Akshaya Patra meals started here we are free from all anxieties. Earlier we were responsible for everything, right from arranging for the fuel and vegetables to cooking, which kept us away from our primary duty of teaching.

Now the children are assured of tasty and nutritious meals from Akshaya Patra on time. Absenteeism has drastically reduced after the introduction of these meals and there is a visible improvement in the health of the children. Parents of most of the children here are daily wage labourers and petty shop-keepers and hence this provision of meals is an attraction for attending school regularly.”

**Mrs. Bithi Rani Ghosh**

*Head Mistress*

*Damodarpur Upper Grade Minor Education School  
Chandapur, Puri*



**Confident to Read,  
Confident to Succeed**

The Akshaya Patra Foundation is addressing two of the most immediate challenges of India - hunger and education, by providing unlimited, wholesome food to attract children to schools, retain them and then focus on their holistic development. Day after day, we reach them every afternoon with hot and nutritious food which helps them focus their attention on studies and not think about the hunger pangs in their stomach.

This year, we have touched the lives of a million children and assured them of basic education which will make them confident and self-reliant individuals. Impact studies have revealed that since The Akshaya Patra Foundation began providing food, attendance is more consistent, drop-outs and long absences have decreased, concentration has improved, height and weight measures have improved and children have become more mischievous because they are more energetic!



Leaders are scarce - especially those that can transform the existing order, but, individuals can develop skill sets to function as transformational leaders. This is what The Akshaya Patra Foundation has set out to achieve - to bring in change through its programmes, by addressing the needs of the current school going generation.

While our focus and flagship programme has been school meals, we have strategically addressed the provision of Supplementary Education and Life Skills Training. These are areas which emerged as a need from the impact studies done by external agencies such as A. C. Neilson.

The Life Skills Training programme is aimed at providing a value added learning programme at the grass roots level. This consists of 20 sessions, throughout the academic year on essential Life Skills recommended by World Health Organization (WHO) and specifically developed to cater to the needs of underprivileged children.

10 Life Skills recommended by WHO are:

1. Decision making skills
2. Problem solving skills
3. Effective Communication skills
4. Interpersonal skills
5. Creative thinking
6. Critical thinking
7. Self Awareness
8. Empathy
9. Coping with Stress
10. Self-management

During the year, we reached out to around 15,000 children and exposed them to this module. It was a desirable change to see that children became vocal and projected different personalities.

Progressing to the next step, impetus was laid on provision of supplementary education as a pilot to 10<sup>th</sup> standard students of 15 selected Corporation High Schools. The pilot covered around 1700 children in Bangalore city. This was done for a period of 90 working days prior to their exams.

Teachers were deployed for after school hours and children were given additional educational aids to support their learning. In addition, special guest lectures were organized in order to build the skill sets of the teachers. This intervention has proven successful and has yielded rich dividends in terms of improving the SSLC results from 34% to 47.41% this year.

We aim to build further on these initiatives and nurture the next generation with an objective to give promising leaders to the world.

### Life transformed



Dhanalaxmi - a successful teacher at the HP School in Ramanagara

Dhanalaxmi had never dreamt of the life that she is leading now. Today she is happily married to an engineer and is economically independent. She never tires of expressing her thoughts about the timely support she received from The Akshaya Patra Foundation during her difficult days. "I received good nutritious food which improved my health and attention span. I went to school regularly and took great interest in studies. Gradually I started performing well in class and it was then that my family members took notice of me. The Akshaya Patra Foundation supported me in understanding my own abilities and strengths

through the sessions on personality development, interpersonal skills and problem solving techniques which nurtured me, helping me to grow. My confidence grew manifold and with the scholarship provided by The Akshaya Patra Foundation, I completed my higher education. By then, I was determined to become a teacher and today I am proud to share the responsibility of my family and guide other children as well, so that they grow up as strong and independent human beings."

As at March 31,

Amount in Rs

Schedule	2009	2008
<b>Opening balance</b>		
Cash	690,918	404,051
Bank	59,127,754	52,656,318
	59,818,672	53,060,369
<b>Add : Receipts</b>		
Donations A	408,202,426	342,011,016
Cash subsidies from government and government bodies B	294,870,160	270,048,431
Income from cultural events	1,007,550	4,449,878
Other receipts C	9,698,728	4,854,983
Sale of fixed assets D	623,941	150,000
Secured loans	39,457,255	3,009,864
	<b>813,678,732</b>	<b>677,584,541</b>
<b>Less: Payments</b>		
Secured loans	42,467,119	-
Unsecured loans	1,000,000	27,000,000
Purchase of fixed assets E	120,312,013	182,812,783
Loans and advances F	3,682,892	982,019
Cost of food G	363,373,196	279,304,119
Distribution expenses H	74,951,824	60,692,065
Publicity and promotion expenses I	32,467,018	18,421,258
Administration and other expenses J	45,898,342	40,871,235
Other program expenses K	11,512,398	7,643,343
Income tax expenses L	255,698	39,047
	<b>695,920,500</b>	<b>617,765,869</b>
<b>Closing balance</b>	<b>117,758,232</b>	<b>59,818,672</b>
<b>Represented by</b>		
Cash	323,424	690,918
Bank	117,434,808	59,127,754
	<b>117,758,232</b>	<b>59,818,672</b>

The schedules referred to above form an integral part of the receipts and payments account.

As per our report attached

for **B S R & Co.**  
Chartered Accountants

for **The Akshaya Patra Foundation**

**Supreet Sachdev**  
Partner  
Membership No. 205385

**Chanchalpathi Dasa**  
Vice Chairman

**Ramadas Kanath U**  
Trustee

Bangalore  
Date: 23 September 2009

Bangalore  
Date: 23 September 2009

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(v) Earnings and expenditure in foreign currency (on receipt and payment basis)

(a) Earnings in foreign currency:

	Amount in Rs	
	Year ended 31-Mar-09	Year ended 31-Mar-08
Donations received towards fixed assets	8,855,122	-
Donation received towards feeding	63,256,934	67,282,255
	72,112,056	67,282,255

(b) There was no expenditure in foreign currency during the year (previous year: Rs Nil).

(vi) Fixed deposits include donation received of Rs 31,552,722 towards expansion, yet to be spent and Rs 5,306,000 towards Endowment Fund.

(vii) Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year presentation.

for The Akshaya Patra Foundation

Chanchalpathi Dasa      Ramadas Kamath U  
Vice Chairman          Trustee

To the Board of Trustees of The Akshaya Patra Foundation

We have examined the attached statement of receipts and payments account of The Akshaya Patra Foundation ('the Trust') for the period from 1 April 2008 to 31 March 2009, signed by us under reference to this report, with the books and records maintained by the Trust and the information and explanations given to us, we confirm that the said statement is in accordance therewith.

for BSR & Co.  
Chartered Accountants

Supreet Sachdev  
Partner  
Membership No. 205385

Bangalore  
23 September 2009

Values and ethics can greatly contribute to social change. These fundamental values guide and inspire our efforts to promote development and combat poverty.

As we read about the challenges of education and the impact that our programmes are creating across the country, it is essential to know that The Akshaya Patra Foundation is not only about technology, scale and mass reach. It is equally and importantly about the human element which is a strong, inseparable part of the Foundation.

To run a programme of this scale and maintain quality and consistency, The Akshaya Patra Foundation has inspired commitment combined with professionalism among its employees and stakeholders.

A school girl expresses her view about the programme of serving meals to the children

Dear Sir,

My opinion about the school meal is that it is "sweet as sugar, white as milk." This hot food is very tasty. I pray to God to let this hot food be available forever. Even at home we don't get such tasty food as we get in school. As many children are poor, it is difficult to get even one meal in a day. We get good curd, and the sambhar has a variety of vegetables and pulses. We can eat how much ever rice we need. Everyone gets the same food and there is no differentiation between the rich and poor. Let this kind of food come to our school forever.

- Savitha

Driver speak

I have been employed by The Akshaya Patra Foundation for the last six years. I joined as a driver of the van which delivers the food to schools everyday. What was a job in the initial phase has now become a passion as I see the children waiting for the van everyday. I am a man of humble means and even if I wish to, I cannot bring about much change in their lives. However, I strongly believe that in some way or the other, I am contributing to the future of these children.

- Prakash Rao, Driver

Cook shares

I joined Akshaya Patra last year as a cook and was amazed to see the quantity of food that is cooked everyday. This is my first job and it has given me an opportunity to not only support the education of these children but also my two small sisters who will not have to give up education like me. I am pleased to be a part of this splendid mission... Lives have truly changed for good.

- Jatin Kumar, Cook



"The war against hunger is truly mankind's war against liberation."

-John F. Kennedy

## T - Notes to the account

One of the cornerstones of Akshaya Patra's success is attributed to its scalable and replicable kitchens. Addressed as **Intelligently Engineered Kitchens** designed with a commitment to quality, these kitchens have been lauded and admired by many.

This year, Akshaya Patra reached a milestone of setting up fourteen centralized kitchens which have been automated to the optimum level. This has facilitated least manual handling and ensured high standards of hygiene and cleanliness. The model leverages technology and innovations to maximize operational and cost efficiency.

Usually, an Akshaya Patra kitchen is engineered to cook fifty thousand to one lakh meals per day. The kitchens are designed to suit the local menu, as one of Akshaya Patra's tenets is to provide meals of local preference. Therefore, in the North Indian regions a wheat-based menu and in the South, rice-based menu is served.

The medium of cooking is steam. There are huge stainless steel cauldrons that cook rice and *sambhar* in the South Indian kitchens.

Each *sambhar* cauldron has a capacity of 1,200 litres and prepares *sambhar* for 6,000 children in less than two hours. The rice cauldron can cook 100 kgs of raw rice for 1,000 children in 20 minutes. Usually, there are eight such rice cauldrons in a South Indian kitchen. In the North Indian kitchens, a *roti* making machine has been indigenously designed that can prepare 40,000 *rotis* per hour! (The earlier version of this machine prepared 15,000 *rotis* per hour)

The food is packed into stainless steel containers with a tight fitting lid that prevents pilferage and retains heat. These food containers are then transferred to custom-built vehicles on a conveyor belt. Each vehicle carries food for about 5000 children and travels about 50 kms from the kitchen facility. Bus routes are identified in which the vehicles drop-off the food to each school. There are about 275 such custom-built vehicles operating in our country.



Akshaya Patra Team - Hubli

The amazing technology delivers food that is consistent in quality and hygiene. Local flavor, piping hot meals and unlimited serving portions...these features make the programme unique and are greatly appreciated by the children. Akshaya Patra serves desserts to its school meal recipients every Saturday. The dessert is based on the regional cuisine and is rich with dry fruits. In the North, *kheer* (a milk based sweet preparation) and in the South, *pongal* (a sweetened rice based preparation) is served. The children relish the dessert and look forward to it every Saturday.



Further, the Trust uses certain land and premises of other related parties free of cost. Additionally, certain utility expenses incurred by other related parties are not cross charged to the Trust.

c. Balances receivable from and payable to related parties:

Particulars	Amount in Rs	
	Year ended 31-Mar-09	Year ended 31-Mar-08
Unsecured loans		
- SRGST	-	1,000,000
Sundry creditors for expenses:		
- ISKCON	1,192,242	164,210
- ISKCON Charities	3,477,550	1,933,038
- GST	24,436	-
- SST	36,527	48,657
- EARF	21,110	-
Advances recoverable in cash or in kind		
- ISKCON	44,130	-
- ISKCON Charities	106,152	112,539
- GST	16,386	-
- SST	-	545,796
- HKM	508,962	-
- Basics Foundation	91,569	-
- IHF	-	7,200

(iii) The Trust has offices, kitchen facilities and vehicles under cancellable operating lease agreements. The Trust intends to renew these lease agreements in the normal course of its business. Total rental expenses under cancellable operating leases for the year ended 31 March 2009 is Rs 3,731,370 (Previous year- Rs 2,175,791).

(iv) Effective 1 April, 2007, the Trust introduced Gratuity plan for its eligible employees in accordance with the Payment of Gratuity Act, 1972. The Trust has revised its accounting policy for accruing liability for the gratuity plan with effect from 1 April 2008 from full liability basis to an actuarial valuation basis. Pursuant to this change in accounting policy the impact on opening liability was not considered material.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Amount in Rs	
As at 31-Mar-09	
Obligations at period beginning	796,205
Service cost	587,026
Interest cost	55,734
Benefits settled	-
Actuarial (gain) / loss	(63,142)
Obligations at period end	<b>1,375,823</b>

Change in plan assets:

Amount in Rs	
As at 31-Mar-09	
Plans assets at beginning of the period, at fair value	-
Expected return on plan assets	-
Actuarial gain	-
Contributions	1,204,439
Benefits settled	-
Plans assets at end of the period, at fair value	<b>1,204,439</b>

100% of plan assets are maintained with Life Insurance Corporation of India.

Reconciliation of present value of the obligation and the fair value of the plan assets:

Amount in Rs	
As at 31-Mar-09	
Present value of the defined benefit obligations at the end of the period	1,375,823
Fair value of plan assets at the end of the period	1,204,439
Liability recognized in the balance sheet	<b>171,384</b>

Gratuity cost for the year:

Amount in Rs	
Year ended 31-Mar-09	
Service cost	587,026
Interest cost	55,734
Expected return on plan assets	-
Actuarial loss	-63,142
Net gratuity cost	<b>579,618</b>

Assumptions

Discount rate	7.00%
Estimated rate of return on plan assets	7.00%
Salary escalation rate	6.00%

## T - Notes to the account

the pOwer of technology

### (i) Capital Commitments and contingencies

	Amount in Rs	
	As at 31-Mar-09	As at 31-Mar-08
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	21,155,069	23,137,237
Outstanding bank guarantee, in respect of the guarantee given by bank in favour of others, secured by equivalent fixed deposit with bank	200,000	-

### (ii) Related parties transactions

The Trust has identified the following entities as related parties which are trusts or societies having common trustees and transactions with those related parties have been disclosed below:

#### a. Entities where significant influence exists:

The Trust has identified the following entities as related parties which are trusts or societies having common trustees and transactions with those related parties have been disclosed below:

- International Society for Krishna Consciousness, Bangalore ("ISKCON");
- The Akshaya Patra Foundation Inc, USA ("TAPF, Inc.");
- ISKCON Charities;
- India Heritage Foundation ("IHF");
- Goloka Seva Trust ("GST");
- Sankirtan Seva Trust ("SST");
- Hare Krishna Movement ("HKM");
- Basics Foundation;
- Shri Radha Gopinath Seva Trust ("SRGST"); &
- Eco Agri Research Foundation ("EARF").

b. The following is a summary of significant transactions by the trust and the balances outstanding with entities where significant influence exists:

Particulars	Amount in Rs	
	Year ended 31-Mar-09	Year ended 31-Mar-08
Corpus fund donations received:		
- ISKCON	8,439,000	16,200,000
- ISKCON Charities	2,400,000	200,000
- IHF	400,000	300,000
- SST	2,050,000	500,000
- HKM	50,000	-
Income from cash donations received towards feeding:		
- ISKCON	420,000	2,800,000
- ISKCON Charities	-	72,000
- TAPF Inc.	38,060,049	49,928,871
Income from cash donations received towards fixed assets:		
- TAPF Inc.	8,855,122	-
Income from donations received in kind:		
- ISKCON	10,913	4,052
- SST	-	201,642
Rent and other expenses paid		
- ISKCON	5,905,505	2,133,000
Cultural event expenses paid		
- ISKCON Charities	24,598	-
- SST	-	305,107
Provisions and groceries purchased		
- Basics Foundation	16,307	-
- EARF	67,910	-
- ISKCON Charities	-	790,166
- SST	-	74,531
Expenditure incurred on behalf of the Trust		
- ISKCON	39,165	4,122,830
- ISKCON Charities	1,972,805	206,305
- GST	48,255	-
- SST	51,546	236,808
- HKM	58,024	-
- EARF	3,800	-
Expenditure incurred by the Trust on behalf of related parties:		
- ISKCON	163,629	19,751
- ISKCON Charities	783,191	322,877
- IHF	-	7,200
- SST	191,685	200,429
- HKM	1,034,654	-
- Basics Foundation	75,262	53,900
Unsecured loans taken		
- ISKCON	-	600,000
- IHF	-	1,650,000
- SRGST	-	4,500,000
Unsecured loans repaid		
- ISKCON	-	15,600,000
- IHF	-	14,650,000
- SRGST	1,000,000	3,500,000



### Did you know?

A machine that is used in the chocolate factories in UK for pumping liquid chocolate has found application in the Akshaya Patra Hubli kitchen. The "Balgdon Pump" has been imported from UK and it does the very unique function of pumping a very viscous fluid (*ganji* - the excess water from cooking rice which has a high content of nutrition and starch) at a high temperature to a distance of more than 100 feet. This is a very unique application of the machine from its original use in the chocolate industry.



## Schedules to the Financial statements



SILO used for storing cleaned rice (Akshaya Patra kitchen, Hubli)



Programmable Flow Valve that allows measured quantities of raw rice to flow into a container



Vegetable cutting machine in use



Lentils (dhal) being tipped into the cauldron



Roti making machine - 40,000 rotis per hour!  
(Akshaya Patra kitchen, aipur)



Sambhar Packing area

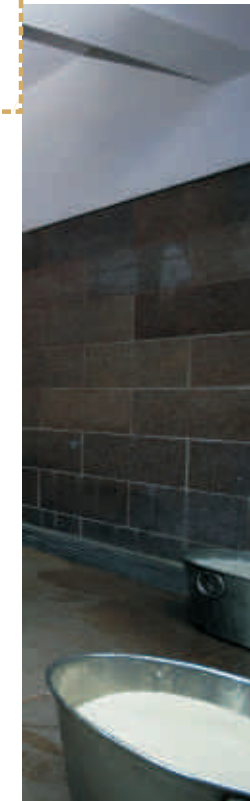
		Amount in Rs	
		2009	2008
<b>N - Other income</b>			
Interest income		4,488,816	566,742
Liabilities no longer required, written back		219,168	336,548
Profit on sale of fixed assets, net		564,361	-
Profit on sale of shares received as donation		-	115,250
Miscellaneous income		1,921,627	911,379
		<b>7,193,972</b>	<b>1,929,919</b>
<b>O - Cost of food</b>			
Provisions and groceries consumed		317,535,523	277,352,006
Fuel consumed		38,693,443	34,098,925
Depreciation		53,001,847	34,874,731
Salaries, wages and bonus		33,756,141	11,328,206
Contributions to provident fund and employees state insurance		3,370,679	463,071
Kitchen maintenance		15,894,162	9,583,644
Contract cooks		14,446,581	23,792,793
Power and lighting		4,556,979	3,678,251
Rent		2,222,766	754,385
Water		2,181,136	1,916,920
Labour welfare		1,830,097	1,816,597
Travel and conveyance		296,428	-
Insurance		154,599	-
Other kitchen related expenses		2,279,261	884,529
		<b>490,219,642</b>	<b>400,544,058</b>
<b>P - Distribution expenses</b>			
Salaries, wages and bonus		21,827,260	15,080,758
Contributions to provident fund and employees state insurance		1,577,040	392,511
Fuel charges		17,601,678	13,952,411
Depreciation		43,055,700	38,519,960
Vehicle hire charges		13,112,418	14,144,428
Vehicle maintenance		8,264,068	5,563,463
Contract drivers expenses		5,844,588	8,376,157
Travel and communication		1,578,202	502,757
Insurance		1,368,095	1,319,634
Rates and taxes		442,593	653,155
Miscellaneous expenses		3,489,254	1,666,810
		<b>118,160,896</b>	<b>100,172,044</b>

		Amount in Rs	
		2009	2008
<b>Q - Publicity and promotion expenses</b>			
Salaries, wages and bonus		10,436,900	5,893,979
Contributions to provident fund and employees state insurance		543,527	196,965
Marketing and public relations		8,632,484	8,587,298
Traveling and conveyance		3,407,133	1,281,840
Courier and postage		2,804,812	1,009,600
Printing and stationery		1,978,232	611,435
Rent		800,300	434,631
Advertisement		452,189	1,713,095
Cultural event expenses		429,082	844,429
		<b>29,484,679</b>	<b>20,573,272</b>
<b>R - Administration and other expenses</b>			
Salaries, wages and bonus		16,047,183	9,764,452
Contributions to provident fund and employees state insurance		968,564	749,508
Security charges		7,361,422	7,067,063
Depreciation		5,479,763	5,311,592
Professional charges		4,030,485	2,847,080
Travelling and conveyance		3,702,263	3,476,447
Repairs and maintenance		3,696,653	6,342,457
Honorarium to administration volunteers		2,328,847	2,922,581
Communication expenses		2,236,652	2,239,592
Interest and bank charges		1,514,477	1,006,761
Printing and stationery		1,093,655	1,184,412
Rent		708,304	986,775
Computer maintenance		510,546	252,088
Receivables from government written off		486,808	479,485
Insurance		223,844	256,908
Loss on write off or sale of fixed assets, net		141,325	211,223
Miscellaneous expenses		873,868	1,072,109
		<b>51,404,659</b>	<b>46,170,533</b>
<b>S - Other program expenses</b>			
Akshaya Kalewa expenses			
- Provisions and groceries		3,096,850	2,650,800
- Salaries and honorarium		941,190	945,538
- Fuel		287,901	232,625
- Other expenses		494,374	367,495
		<b>4,820,315</b>	<b>4,196,458</b>
Vidya Akshaya Patra expenses			
- Life skills training		1,665,405	1,892,136
- Scholarships and after class tutorial		1,218,424	845,550
- Other expenses		286,521	265,789
		<b>3,170,350</b>	<b>3,003,475</b>
Akshaya Jal Dhara expenses			
- Vehicle hire and fuel charges		741,743	992,489
		<b>741,743</b>	<b>992,489</b>
Baby mix program expenses			
- Provisions and groceries		-	291,130
- Salaries and honorarium		-	35,850
		-	<b>326,980</b>
Other feeding program expenses			
- Provisions and groceries		2,736,145	-
		<b>2,736,145</b>	-
		<b>11,468,553</b>	<b>8,519,402</b>

## Schedules to the Financial Statements

	Amount in Rs	
	2009	2008
<b>H - Current liabilities</b>		
Sundry creditors		
- for capital goods	7,172,937	15,268,302
- for expenses	34,244,591	31,765,803
Retention monies payable	4,985,029	3,921,126
Government cash subsidies received in advance	5,956,315	13,031,955
Government grain grants received in advance	7,861,446	4,582,271
Deferred donation income		
- assets received as donations	6,009,651	-
- cash donations received towards feeding	140,599,518	142,481,829
- cash donations received towards fixed assets	33,972,775	13,505,500
Other liabilities		
- statutory dues payable	950,460	919,991
- accruals for expenses	8,480,057	6,858,618
	<b>250,232,779</b>	<b>232,335,395</b>
<b>I - Provisions</b>		
Gratuity [refer note T(iv)]	171,384	763,502
Income tax	-	105,099
	<b>171,384</b>	<b>868,601</b>
<b>J - Income from donations</b>		
Donations in cash		
- received in India towards feeding	256,481,159	132,552,321
- received in other countries towards feeding	47,069,836	65,986,295
- received in India towards fixed assets	2,258,926	-
- received in other countries towards fixed assets	44,900	-
Donations in kind		
- towards fixed assets	761,964	-
- others	1,984,567	10,074,365
	<b>308,601,352</b>	<b>208,612,981</b>

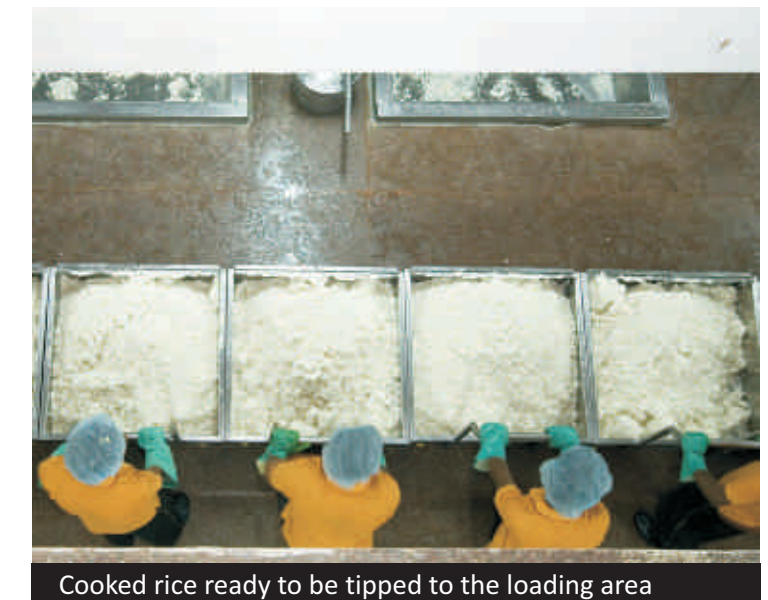
	Amount in Rs	
	2009	2008
<b>K - Grants and subsidies from government and government bodies</b>		
<b>A. Grant of food grains from :</b>		
Government and government bodies of Karnataka	41,436,139	38,529,372
Government and government bodies of Uttarpradesh	5,660,365	6,102,246
Government and government bodies of Rajasthan	10,428,575	7,982,552
Government and government bodies of Orissa	3,795,703	2,307,573
Government and government bodies of Gujarat	3,528,565	4,964,050
Government and government bodies of Andhra Pradesh	1,188,420	-
Government and government bodies of Chhattisgarh	254,111	-
	<b>66,291,878</b>	<b>59,885,793</b>
<b>B. Cash subsidies from :</b>		
Government and government bodies of Karnataka	202,399,051	161,939,072
Government and government bodies of Uttarpradesh	30,053,779	26,917,996
Government and government bodies of Rajasthan	60,309,736	48,334,869
Government and government bodies of Orissa	14,520,595	8,188,704
Government and government bodies of Gujarat	20,286,803	13,019,453
Government and government bodies of Andhra Pradesh	6,302,544	-
Government and government bodies of Chhattisgarh	1,265,116	-
	<b>335,137,624</b>	<b>258,400,094</b>
	<b>401,429,502</b>	<b>318,285,887</b>
<b>L - Income from cultural events</b>		
Cultural event receipts	1,007,550	4,449,878
	<b>1,007,550</b>	<b>4,449,878</b>
<b>M - Other program receipts</b>		
<b>A. Received from Government</b>		
Akshaya Kalewa	1,125,266	824,458
Baby Mix Program	39,199	258,712
Other feeding Program	1,500,000	-
	<b>2,664,465</b>	<b>1,083,170</b>
<b>B. Others</b>		
Akshaya Kalewa	2,505,456	2,023,850
	<b>2,505,456</b>	<b>2,023,850</b>
	<b>5,169,921</b>	<b>3,107,020</b>



Washing of cleaned rice



Vegetables & lentils ready to be cooked



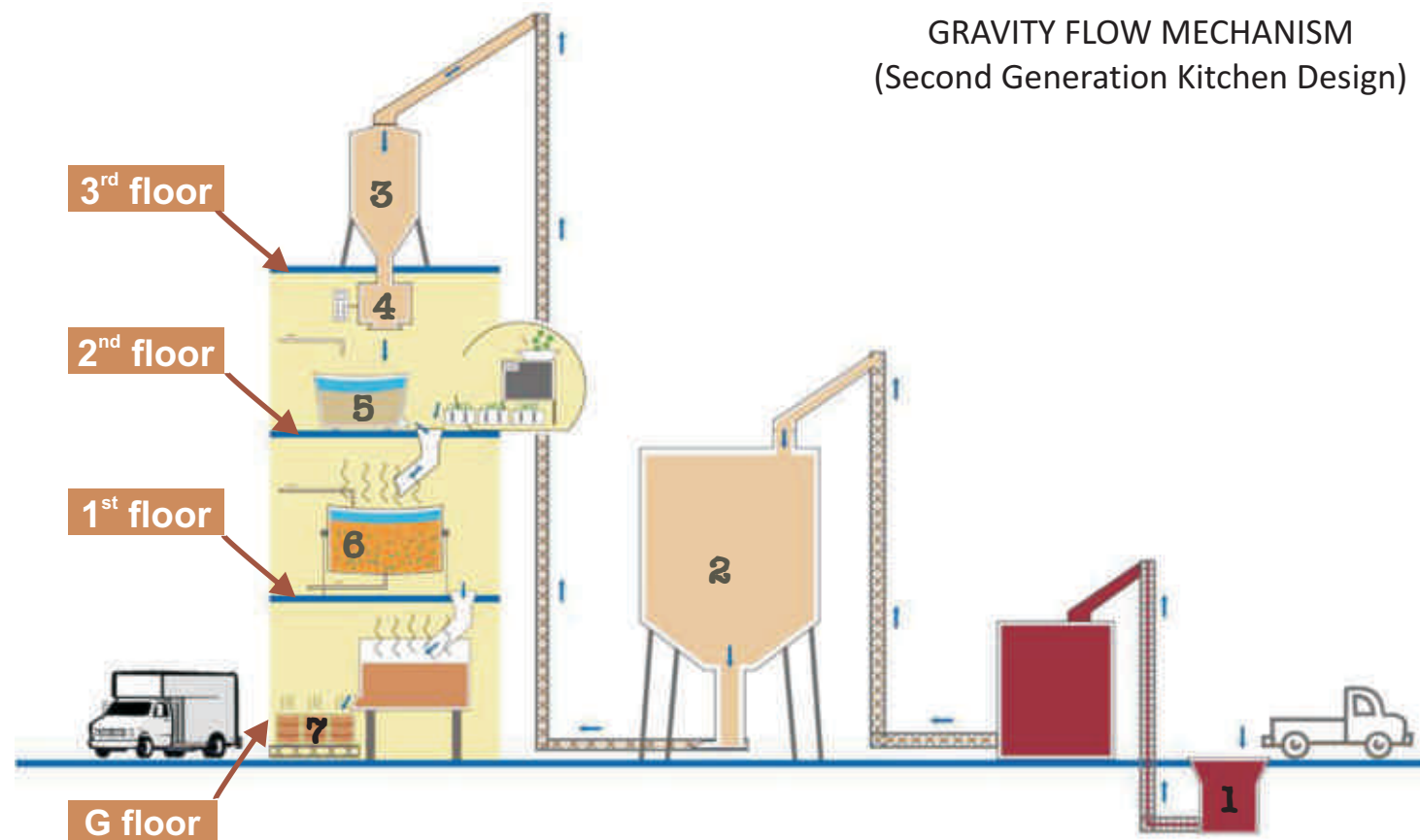
Cooked rice ready to be tipped to the loading area



Piping hot rice



Loading into customized vehicles



**GRAVITY FLOW MECHANISM**  
(Second Generation Kitchen Design)

1. Food grains supply
2. Cleaned rice stored in month-silo, lifted up via bucket elevators
3. Cleaned rice lifted to 3<sup>rd</sup> floor into day-silo via bucket elevators
4. Computer controlled flow valve
5. Preprocessing: washing rice & dhal, vegetable cutting, etc.
6. Rice and sambhar are cooked
7. Packing and loading

### Akshaya Patra Striving to go green

At Vasanthpura (Kanakpura Road), Vrindavan and Bellary kitchens, we have begun the practice of using briquette run boilers instead of diesel run boilers. This boiler uses renewable energy resources such as briquettes made out of groundnut husk or rice bran; both of which are general bi-products of the cooking oil industry.

Thus, during the year an estimated 788.95 MT of carbon was saved. In other words, we have accumulated carbon credits to the extent of 788.95 MT. We are proposing to enter the Carbon Credit market in the near future.

At the beginning of the year, another new ecofriendly practice that has been adopted is the standardization of a vessel washing technique. With this technique we are able to recycle more than 50% of consumed water.

accordance with the Payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to the eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and tenure of employment with the Trust. The gratuity liability is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

#### (xii) Leases

Assets acquired under lease where the trust has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments.

Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to income and expenditure account on a straight line basis over the lease terms.

Amount in Rs		
As at March 31,	2009	2008
<b>B - Trust fund receipts</b>		
Corpus fund	281,567,461	226,193,582
Add: Corpus fund donations received during the period	78,756,641	55,373,879
	<b>360,324,102</b>	<b>281,567,461</b>
Endowment fund	300,000	-
Add: Endowment fund donations received during the period	5,006,000	300,000
	<b>5,306,000</b>	<b>300,000</b>
	<b>365,630,102</b>	<b>281,867,461</b>

Amount in Rs		
As at March 31,	2009	2008
<b>C - Secured loans</b>		
Secured loan from bank [Secured by fixed deposit with bank]	-	3,009,864
	<b>-</b>	<b>3,009,864</b>
<b>E - Inventory</b>		
Provisions and groceries		
- Rice and wheat	8,131,609	5,986,475
- Dhal and pulses	2,067,730	1,489,870
- Oils and ghee	352,401	456,371
- Others	1,488,631	1,191,834
	<b>12,040,371</b>	<b>9,124,550</b>
Spares	436,987	-
Fuel	660,279	-
	<b>13,137,637</b>	<b>9,124,550</b>
<b>F - Cash and bank balances</b>		
Cash in hand	323,424	690,918
Balances with scheduled bank		
- in savings account	42,350,342	43,447,461
- in current account	237,801	2,846,472
- in fixed deposit [refer note T(vi)]	74,846,665	12,833,821
	<b>117,758,232</b>	<b>59,818,672</b>
<b>G - Loans and advances</b>		
<i>Unsecured, considered good</i>		
Advances recoverable in cash or kind or for value to be received	3,317,782	2,262,236
Deposits	4,522,506	2,339,326
Interest accrued and not due	1,973,616	91,980
Cash subsidies receivable from government and government bodies	59,284,369	26,092,545
Prepaid expenses	1,549,200	1,087,329
Salary advances	843,287	417,729
Advance taxes	150,599	-
	<b>71,641,359</b>	<b>32,291,145</b>

#### D-Fixed Assets

Assets	Gross Block				Accumulated Depreciation				Net Block		
	As at 1 April 2008	Additions	Deductions	As at 31 March 2009	As at 1 April 2008	Depreciation for the year	Deductions	As at 31 March 2009	As at 31 March 2009	As at 31 March 2008	
Land	11,814,827	-	-	11,814,827	-	-	-	-	11,814,827	11,814,827	
Buildings	179,975,284	71,740,688	-	251,715,972	16,685,517	15,817,981	-	32,503,498	219,212,474	163,289,767	
Leasehold improvements	10,992,607	3,699,675	-	14,692,282	3,038,300	985,402	-	4,023,702	10,667,580	7,954,307	
Kitchen and related equipments	97,210,890	60,212,353	374,990	157,048,253	46,234,857	37,183,866	267,255	83,141,488	73,906,755	50,986,033	
Office equipments	2,113,648	2,524,944	-	4,638,592	825,908	882,934	-	1,708,842	2,929,750	1,287,740	
Computer equipments	3,798,267	1,224,587	129,314	4,893,540	1,694,289	1,217,316	36,164	2,875,441	1,968,099	2,053,978	
Furniture and fixtures	11,115,016	2,031,986	-	13,147,002	3,379,869	2,394,121	-	5,773,990	7,373,012	7,737,147	
Vehicles	86,672,498	28,366,311	2,325,897	110,512,912	49,055,866	24,490,823	2,525,897	71,029,792	39,492,120	37,616,632	
Distribution vessels	47,435,641	12,509,025	-	59,944,666	29,407,749	18,564,877	-	47,972,626	11,972,040	18,027,892	
<b>Total</b>	<b>451,080,668</b>	<b>180,308,569</b>	<b>3,030,791</b>	<b>628,399,036</b>	<b>150,312,355</b>	<b>101,537,310</b>	<b>2,829,296</b>	<b>249,029,369</b>	<b>379,338,667</b>	<b>300,768,313</b>	
Previous year:	310,198,981	142,506,429	1,624,742	451,080,668	72,869,591	78,796,263	1,263,519	150,312,355	300,768,313	-	



Donations made with a specific direction that they shall form part of the corpus fund or endowment fund of the Trust are classified as such, and are directly reflected as trust fund receipts in the balance sheet.

Government grants related to revenue received in cash or in kind are recognised as income when the obligation associated with the grant is performed and right to receive money is established. The value of grants and donations received in kind is determined based on the lower of market price or government regulated price of those goods at the time of receipt.

Donation received in cash or in kind towards depreciable fixed assets, the ownership of which lies with the Trust, are treated as deferred donation income and recognized as donation income in income and expenditure account rateably over the useful life of the asset. The deferred income is disclosed as "Deferred donation income" under current liabilities in the balance sheet.

Income from cultural events is recognised as and when such events are performed.

Income from other program receipts is recognised when the associated obligation is performed and right to receive money is established.

Interest on deployment of funds is recognised using the time-proportion method, based on underlying interest rates.

#### (vii) Income tax

The Trust is registered under Section 12A of the Income tax Act, 1961 ('the Act'). Under the provisions of the Act, the income of the Trust is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

Consequent to the insertion of tax liability on anonymous donations vide Finance Act 2006, the Trust provides for the liability in accordance with the provisions of Section 115BBC of the Act, if at all there is any such donations, as the Trust does not encourage such donations.

#### (viii) Foreign exchange transactions

Foreign exchange transactions are recorded at a rate that approximates the exchange rate prevailing at the date of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the income and expenditure account of the year. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognized in the income and expenditure account.

#### (ix) Provision and contingencies

The provision is recognised when, as a result of obligating events, there is a present obligation that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision or disclosure is made when, as a result of obligating events, there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote. Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

#### (x) Impairment of assets

The Trust periodically assesses whether there is any indication that an asset or a group of asset comprising a cash generating unit may be impaired. If any such indication exists, the Trust estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the income and expenditure account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

#### (xi) Retirement benefits

##### Provident fund

All eligible employees receive benefit from provident fund, which is a defined contribution plan. Both the employee and the Trust make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary. The Trust has no further obligations under this plan beyond its monthly contributions. Monthly contributions made by the Trust are charged to income and expenditure account.

##### Gratuity

The Trust provides gratuity, a defined benefit retirement plan, to its eligible employees. In

It is widely acknowledged that the socio-economic conditions in rural India have constrained the process of Primary Education. Social inequalities of caste and creed along with gender bias have been identified as the major causes of deprivation among children in India. A large number of children from economically poor and socially disadvantaged groups, as well as girls, are denied access to complete primary education.

Realizing the need of its programmes in rural pockets of the country, The Akshaya Patra Foundation started decentralized kitchens which work as satellite centres and draw their resources and support from the Centralized Store.

With a hearth to cook, the decentralized kitchen model is more than just the heart of The Akshaya Patra Foundation programme. The model is a social leveler in one sense and an economic activity on the other. It has brought communities together, generated livelihoods for women and brought children of various castes and creeds together. This alternative model is designed to suit remote rural locations that have greater challenges of road connectivity and lack of other infrastructure that make a centralized kitchen possible.

In a decentralized kitchen, women's Self Help Groups (SHG) are formed and trained to cook for nearby schools. They cook the meals and hand deliver them to schools in their neighborhood. Before a kitchen is established, the frontline team goes to the village and gets the consent of the village Panchayat and identifies the cooks.

Thereafter, the women are trained for a period of one week in a nearby kitchen that is already functional. Training consists of book keeping, menu preparation, hygiene and nutritional value. Clusters of women Self Help Groups are formed and for each cluster an executive supervisor is appointed, aided by two assistants. A detailed monthly review is done of every kitchen. In every kitchen, women are appointed as head cooks on a rotation basis for a period of one month. The head cook is responsible for book-keeping, serving, storing and procuring vegetables.

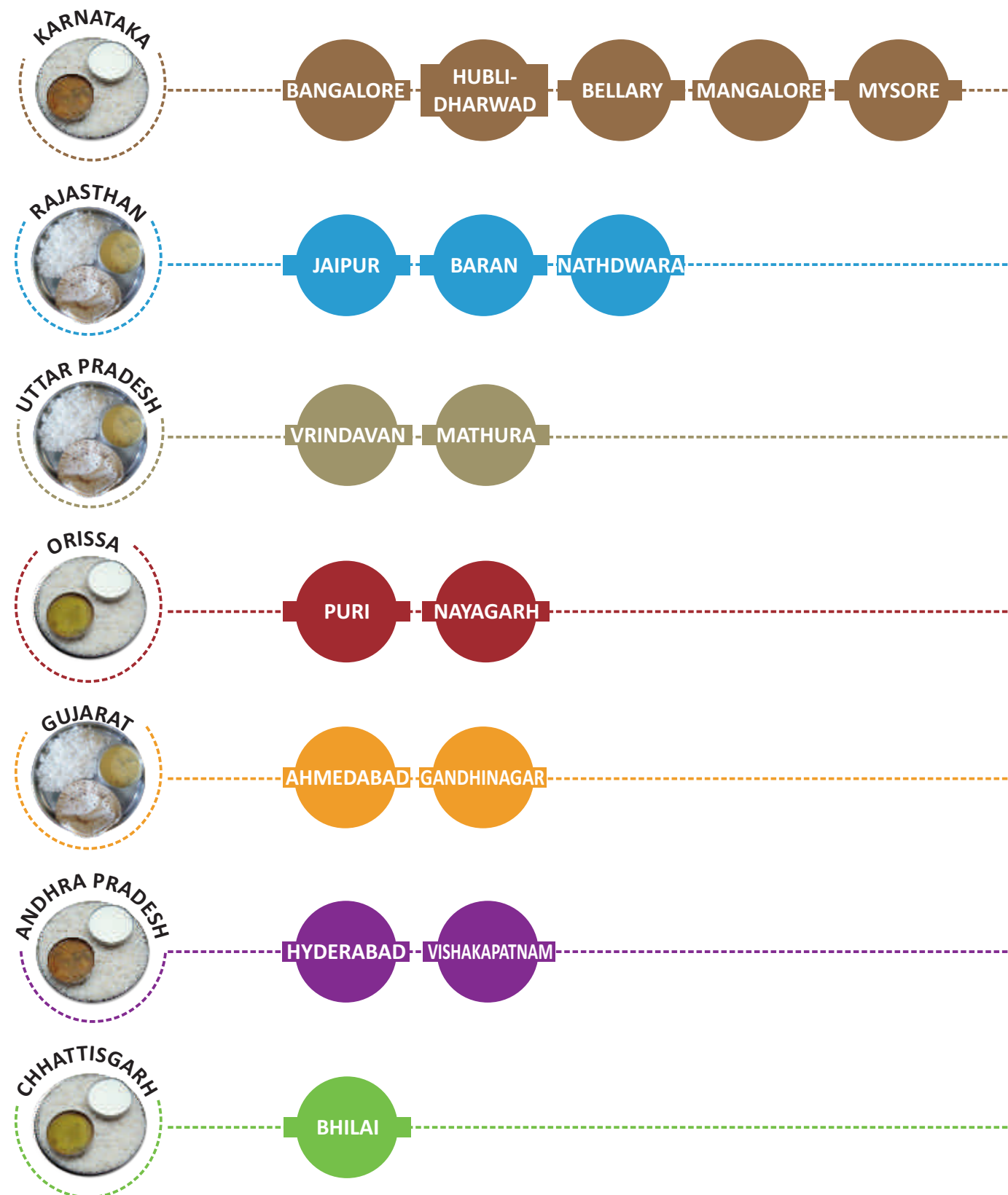
The decentralized model was first started in Baran district in Rajasthan. It has been replicated in Bhapur, Nayagarh district in Orissa and in Mathura district in Uttar Pradesh. Through our decentralized kitchens we reach 46,859 children, primarily from tribal dominated communities.

This model has widened our reach in the remotest of locations. This has also resulted in creating jobs for women as they are employed in our kitchens. It is turning out to be one of our most successful and viable models in rural areas with features such as low investment, employment generation, empowerment of rural women and education of tribal children.



Local women engaged in cooking in Akshaya Patra de-centralized kitchens

The Akshaya Patra Foundation is committed to offering high quality services, using skilled staff and actively involving its stakeholders – tailoring the support we offer to the needs of children. All our services enable children to learn, strive and thrive. Our services extend across the country, responding to local needs and requirements as much as possible.



**1. Organisation overview**

The Akshaya Patra Foundation ('the Trust or TAPF') is registered under Indian Trust Act 1882 as a Public Charitable trust. It was formed on 1 July 2000 and was registered on 16 October 2001. The principal activity of the Trust is to implement the mid-day meal program of Government of India through respective state governments for the children studying in government and municipal schools. The Trust is also involved in various other charitable activities like providing intensive coaching for eligible students and food after school hours under “Vidya Akshaya Patra Program”, providing subsidized meals to daily wage earners under various schemes like “Akshaya Kalewa Program” and “Aap Ki Rasoi”, providing food for babies and mothers in Anganwadis and implementing various other programs for relief of poor.

**2. Significant accounting policies**

**(i) Basis of preparation of financial statements**

The balance sheet and income and expenditure accounts are prepared under the historical cost convention and on the accrual basis of accounting. In the absence of any authoritatively established accounting principles for the specialised aspects related to charitable trusts which do not carry out any commercial activity, these statements have been prepared in accordance with the significant accounting policies as described below.

**(ii) Use of estimates**

The preparation of the financial statements in conformity with the significant accounting policies requires that the Trustees of the Trust ('Trustees') make estimates and assumptions that affect the reported amounts of income and expenditure of the year and reported balances of assets and liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. All amounts are stated in Indian rupees, except as otherwise stated.

**(iii) Fixed assets**

Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes the purchase cost of fixed assets and any other directly attributable costs of bringing the assets to their working condition for intended use. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Fixed assets received as donated in kind are measured and recognised at fair value on the date of receipt.

Advances paid towards the acquisition of fixed assets and the cost of assets that are not ready for their intended use as at the balance sheet date are disclosed under capital work-in-progress.

**(iv) Depreciation**

Depreciation on fixed assets has been provided on a straight-line method basis over the estimated useful life as follows:

CLASS OF ASSETS	ESTIMATED USEFUL TIME
Buildings	15 years
Kitchen & related equipments	3 years
Office Equipments	3 years
Computer Equipments	3 years
Furniture & Fixtures	5 years
Vehicles	3 years
Distribution vessels	2 years

Land is not depreciated. Depreciation on leasehold improvements is provided over the lease term or the useful lives of assets, whichever is lower. Depreciation is charged on a proportionate basis for all assets purchased and sold during the year.

**(v) Inventory**

Inventory comprises provisions and groceries which include food grains, dhal & pulses, oils & ghee and other items like spares and fuel. Inventory is valued at cost, determined under the first in first out method. Inventory cost, when received as government grants is determined at the lower of the market price or government regulated price. Cost of inventory, other than those received as government grants, comprises purchase cost and all expenses incurred in bringing the inventory to its present location and condition. Inventories received as donation in kind are measured at fair value on the date of receipt.

**(vi) Revenue recognition**

Donation received in cash or in kind is recognised as income when the donation is received, except where the terms and conditions require the donations to be utilised over a certain period. Such donations are recognised rateably over the period of usage. Donations received in kind are measured at fair value on the date of receipt. The deferred income is disclosed as “Deferred donation income” under current liabilities in the balance sheet.

## Income and Expenditure Account

## STATES AND LOCATIONS

For the year ended March 31,

Amount in Rs

	Schedule	2009	2008
<b>Income</b>			
Donations	J	308,601,352	208,612,981
Grants and subsidies received from government	K	401,429,502	318,285,887
Cultural events	L	1,007,550	4,449,878
Other programs	M	5,169,921	3,107,020
Other income	N	7,193,972	1,929,919
		<b>723,402,297</b>	<b>536,385,685</b>
<b>Expenditure</b>			
Cost of food	O	490,219,642	400,544,058
Distribution expenses	P	118,160,896	100,172,044
Publicity and promotion expenses	Q	29,484,679	20,573,272
Administration and other expenses	R	51,404,659	46,170,533
Other program expenses	S	11,468,553	8,519,402
		<b>700,738,429</b>	<b>575,979,309</b>
<b>Excess of income over expenditure / (expenditure over income) before tax</b>			
		22,663,868	(39,593,624)
Income taxes		-	155,505
<b>Excess of income over expenditure / (expenditure over income)</b>			
		22,663,868	(39,749,129)
Balance in income and expenditure account brought forward		(30,582,659)	9,166,470
Balance carried forward to the balance sheet		<b>(7,918,791)</b>	<b>(30,582,659)</b>
Significant accounting policies	A (2)		
Notes to the accounts	T		

The schedules referred to above form an integral part of the income and expenditure account.

As per our report attached

for **BSR & Co.**  
Chartered Accountants

**Supreet Sachdev**  
Partner  
Membership No : 205385

Bangalore  
Date: 23 September 2009

for **The Akshaya Patra Foundation**

**Chanchalpathi Dasa**  
Vice Chairman

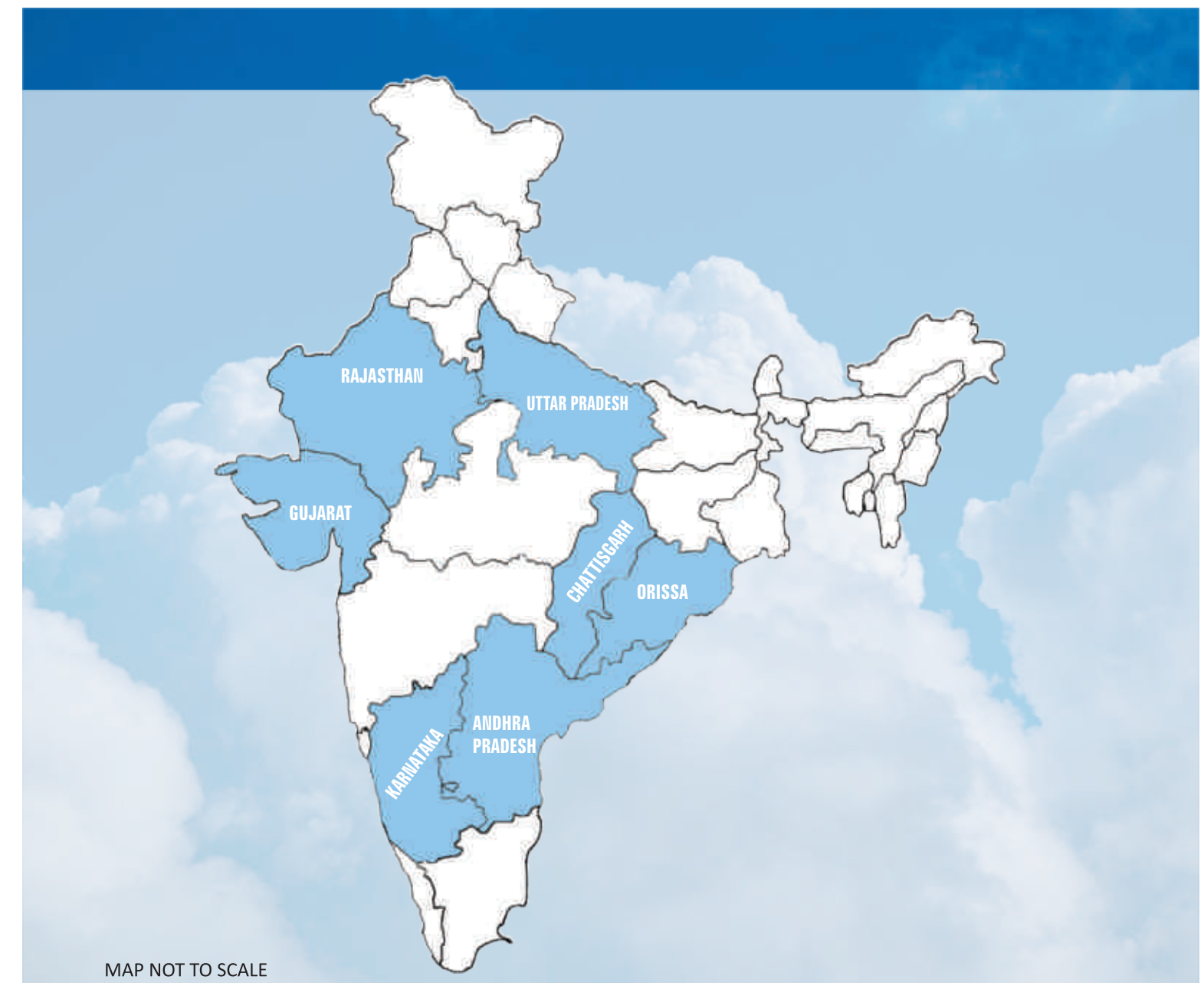
Bangalore  
Date: 23 September 2009

**Ramadas Kamath U**  
Trustee

### A glimpse of our reach

STATE	NO. OF CHILDREN	EMPLOYEES*	VALUE OF ASSETS (Rupees in lakhs)	NO. OF VEHICLES
Karnataka	526,145	1,075	3,951	115
Rajasthan	185,608	770	1,168	66
Uttar Pradesh	95,235	586	724	26
Orissa	66,112	524	234	28
Gujarat	75,000	187	209	20
Andhra Pradesh	30,418	97	118	10
Chhattisgarh	30,000	178	141	10
	<b>1,008,518**</b>	<b>3,417</b>	<b>6,546</b>	<b>275</b>

\* This includes direct, indirect and Self Help Group members  
\*\*Feeding 1,091,000 children as on Oct 2009



## Balance sheet



Madhu Pandit Dasa, Chairman, The Akshaya Patra Foundation, received the award from cine actor Amir Khan. Also seen is Raghav Bahl, Managing Director, CNBC-TV18

The Akshaya Patra Foundation bagged the CNBC India Business Leader Award in the SOCIAL ENTERPRISE OF THE YEAR category, conferred in January 2009. This year the jury comprised of Mukesh Ambani, CMD, Reliance Industries Ltd., as Chairperson of the Jury, Kumar Mangalam Birla, Chairman, Aditya Birla Group, Deepak Parekh, Chairman, HDFC, R. Seshasayee, Managing Director, Ashok Leyland, Jagdish Khattar, CMD, CarnationAuto India Pvt. Ltd. and Raghav Bahl, MD, Network18.

As At March 31,

	Schedule	Amount in Rs	
		2009	2008
<b>Sources of funds</b>			
Trust fund receipts	B	365,630,102	281,867,461
Secured loans	C	-	3,009,864
Unsecured loans		-	1,000,000
		<b>365,630,102</b>	<b>285,877,325</b>
<b>Application of funds</b>			
<b>Fixed Assets</b>			
Gross block	D	628,359,036	451,080,668
Less: Accumulated depreciation		249,020,369	150,312,355
Net block		379,338,667	300,768,313
Capital work-in-progress		26,239,579	86,495,982
		<b>405,578,246</b>	<b>387,264,295</b>
<b>Current assets loans and advances</b>			
Inventory	E	13,137,637	9,124,550
Cash and bank balances	F	117,758,232	59,818,672
Loans and advances	G	71,641,359	32,291,145
		202,537,228	101,234,367
<b>Less:</b>			
<b>Current liabilities and provisions</b>			
Current liabilities	H	250,232,779	232,335,395
Provisions	I	171,384	868,601
		250,404,163	233,203,996
<b>Net current liabilities</b>		<b>(47,866,935)</b>	<b>(131,969,629)</b>
Debit balance in income and expenditure account		7,918,791	30,582,659
		<b>365,630,102</b>	<b>285,877,325</b>
Significant accounting policies	A (2)		
Notes to the accounts	T		

The schedules referred to above form an integral part of the balance sheet.

As per our report attached

for **B S R & Co.**  
Chartered Accountants

for **The Akshaya Patra Foundation**

**Supreet Sachdev**  
Partner  
Membership No : 205385

**Chanchalpathi Dasa**  
Vice Chairman

**Ramadas Kamath U**  
Trustee

Bangalore  
Date: 23 September 2009

Bangalore  
Date: 23 September 2009

## AUDITOR'S REPORT

To the Board of Trustees of The Akshaya Patra Foundation

We have audited the attached balance sheet of The Akshaya Patra Foundation ('the Trust') as at 31 March 2009 and the income and expenditure account of the Trust for the year then ended, annexed thereto. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) in our opinion, proper books of accounts have been kept by the Trust so far as appears from our examination of those books;
- (c) the balance sheet and the income and expenditure account dealt with by this report are in agreement with the books of account;
- (d) as there are presently no authoritatively established accounting principles for the specialised aspects related to charitable trusts not having any commercial activity, these statements have been prepared on the basis of accounting policies referred to in the Note 2 of Schedule A to the financial statements. On this basis, in our opinion and to the best of our information, and according to the explanations given to us, the said accounts give a true and fair view:
  - (i) in the case of the balance sheet, of the state of affairs of the Trust as at 31 March 2009; and
  - (ii) in the case of the income and expenditure account, of the excess of income over expenditure for the year ended on that date.

for BSR & Co.  
Chartered Accountants

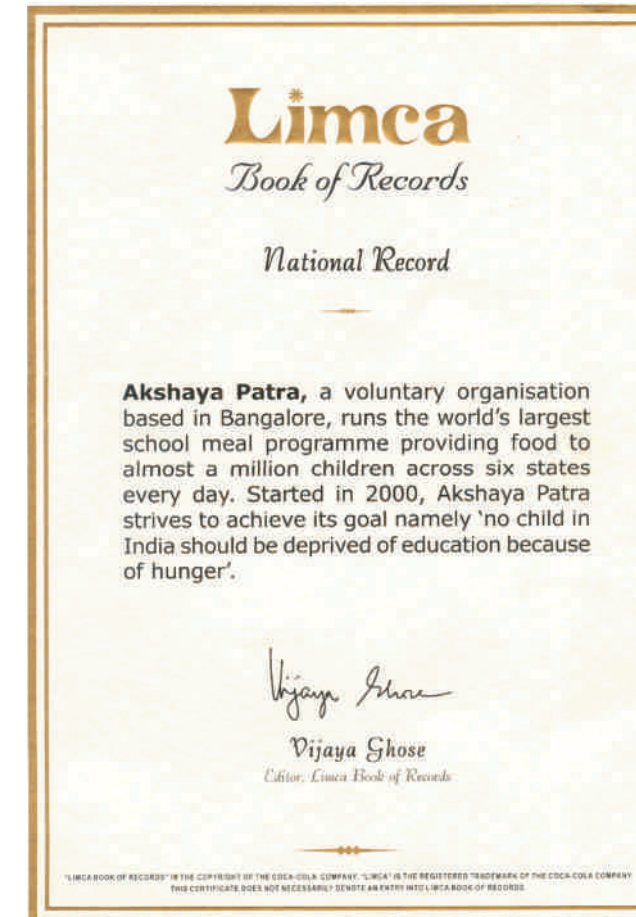
Supreet Sachdev  
Partner  
Membership No: 205385

Bangalore  
23 September 2009

## AWARDS AND ACCOLADES

The Akshaya Patra Foundation was voted Number Five for the 2008 American Express Members Project out of 1,190 submissions and three rounds of voting. It was awarded \$100,000 by American Express.

The Limca Book of World Records officially recognized Akshaya Patra's goal which is 'No child in India should be deprived of education because of hunger'. Limca Book of Records is a record book of Indian origin. It represents the world record breaking achievements of more than a billion Indians and is the only record book of its kind in India. It was first published in 1990. The Limca Book of Records is published with the patronage of Coca-Cola (India) which manufactures the soft drink, Limca.



Rotary International, one of the largest nongovernmental organisations engaged in serving humanity for the last 100 years, conferred VOCATIONAL EXCELLENCE AWARD to The Akshaya Patra Foundation for its yeomen service to humanity in providing school meals to needy school children and enhancing the literacy efforts of the government.

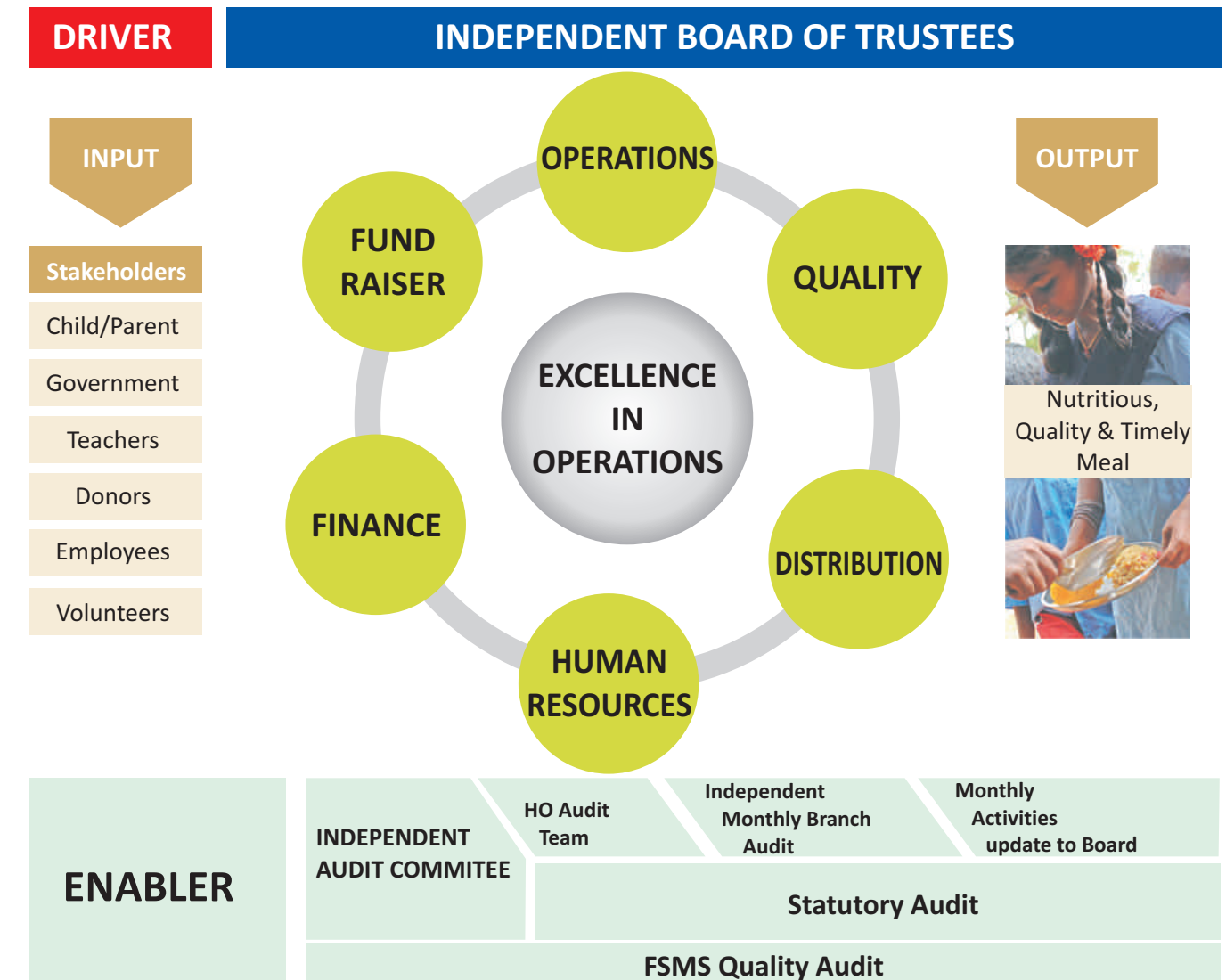


# AKSHAYA PATRA IN MEDIA



The Committee has met for the first time post its constitution on the 22<sup>nd</sup> of September '09, to review the internal audit structure as well as to review various accounting issues faced by the Foundation. The Committee also reviewed the Financial Statements for 2008-09 and recommended the same to the Board for its onward approval.

The following organogram briefly depicts how your organization is oriented towards a satisfied child.



The Financials of your Foundation for the year 2008-09 have been duly verified and certified by the Statutory Auditors, M/s BSR & Co and has been included in this Annual Report for your perusal.

### Conclusion

Your Foundation's trustees and all of its employees and volunteers are inspired by the vision outlined so far and continue to strive to be a responsible organisation. They stand by us steadfastly in our efforts to ensure smiling children, to keep creating multiple avenues and opportunities to serve the society at large and all of its stake holders.

On Behalf of the Trustees

Chanchalpathi Dasa  
Vice Chairman

The resources spent by your Foundation are analyzed below:

AMOUNT SPENT	2008-09	2007-08
Cost of food	4,372.18	3,656.69
Distribution Cost	715.05	616.52
Fund Raising Cost	294.25	205.73
Admin Cost	459.25	408.59
Other Feeding Programs Cost	114.69	85.19
Fixed Assets Purchased	1,170.22	1,860.78
	7,162.24	6,833.51

It is valuable to note that your Foundation's best practices have always resulted in keeping operational expenditure to a fractional portion of revenues earned. This has been achieved as a result of encouraging active volunteerism and by arriving at optimal administration and fund raising costs. Of the total revenue expenditure, administration and fund raising costs for the year 2008-09 accrued to 6.55% and 4.21% respectively. This in turn, means that for every rupee donated to Akshaya Patra, 89 paise is spent on feeding a child and the rest is spent towards administration and fund raising activities. An activity graph below illustrates the above.

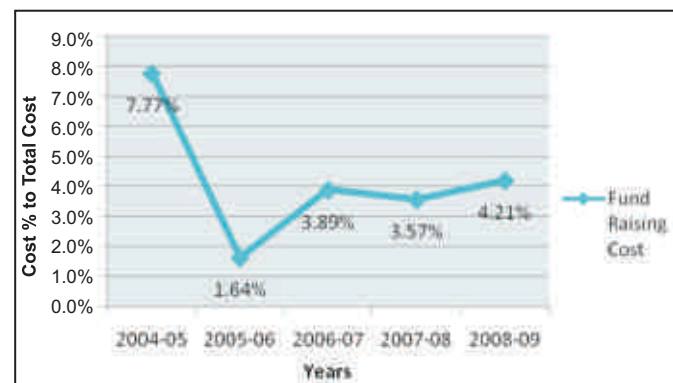


Figure 4: Fund Raising Cost as % to Total Cost

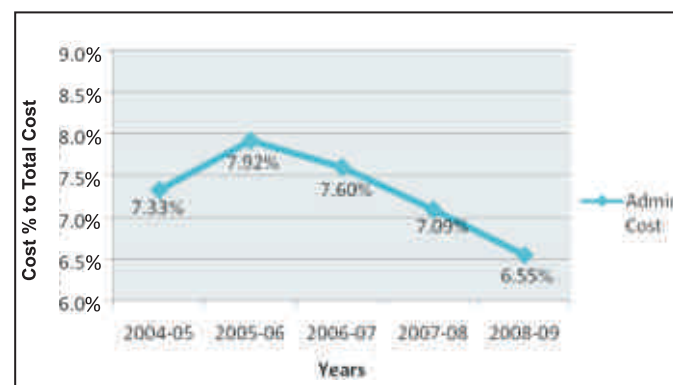


Figure 5: Admin Cost as % to Total Cost

### Transparency

The key strength of the Foundation is its belief in absolute transparency in all its activities. The Board has consisted of Independent Trustees from its inception and has been guided continuously by its Advisory Board Members. The Foundation's financials are audited and certified by M/s BSR & Co, a reputed audit firm in India since its inception. We have voluntarily worked on complying with International Financial Reporting Standards (IFRS) and are in the process of getting the same audited by KPMG. This indicates your Foundation's willingness to be more transparent.

As an additional measure to have higher level of transparency, from December 2008, the Foundation has decided to disseminate additional financial information through our website ([www.akshayapatra.org](http://www.akshayapatra.org)) on each branch. Details on the menu provided, cost per meal, assets created, subsidies received per meal and more relevant information is available at a glance. This information is available for public access and is updated quarterly by us.

### Audit and Systems

Your Foundation believes that internal control is a necessary concomitant of the principle of good governance and that freedom of management should be exercised within a framework of appropriate checks and balances. Your Foundation remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

In order to ensure the effectiveness of the internal controls, the Foundation has appointed firms of Chartered Accountants of repute, as Branch Auditors across the Foundation. These Branch Auditors submit monthly branch audit reports, which are then reviewed by the Head Office Audit team regularly.

### Audit Committee

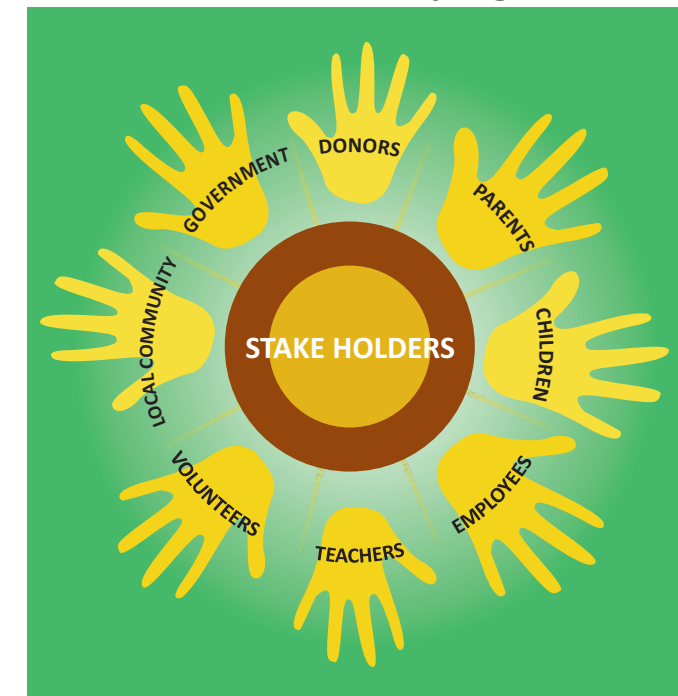
The Audit Committee, which is a sub-committee of the Board of Trustees, was constituted on the 1st of February 2009 with the following independent trustees as its members:

- V. Balakrishnan - Trustee & Chairman of the Committee
- Ramadas Kamath U - Trustee & Member
- Raj Kondur - Trustee & Member

The Committee has been constituted to provide sufficient assurance to the Board that the internal control environment in the Foundation is effective.

2008 was an eventful year for The Akshaya Patra Foundation - the year we celebrated our 9th anniversary. Ever since Akshaya Patra began, the backing of individuals, corporates and trusts has been absolutely vital to our work. In fact without your support, Akshaya Patra simply would not be able to offer services to so many children across the country. We would like to thank you for your continued generosity and commitment.

### Akshaya Patra is a multi-stake holder programme



### Connecting face to face



We are all human, and even in the age of the Internet, personal contact is what moves us most. Bringing our supporters face-to-face with children and showing them the kitchens is always an unforgettable experience. Children are proud to be recognized, and supporters see first hand how much their commitment means. Here are just a few of the many new bonds forged during an unforgettable year.

## Public-Private Partnership

The programme is conducted in partnership with the Central & various State Governments. We specially thank the Governments and the Government bodies for giving us an opportunity to participate in the nation building activity through the mid-day meal programme.

### Government Support



#### Government of India

- Government of Karnataka
- Government of Uttar Pradesh
- Government of Rajasthan
- Government of Orissa
- Government of Gujarat
- Government of Andhra Pradesh
- Government of Chhattisgarh
- Bruhat Bengaluru Mahanagara Palike
- Jaipur Nagar Nigam

Apart from the Government support, we continuously sensitize & encourage civic society participation in the nation's developmental activity. Our other development partners are:

### Foundations

- Ashutosh Bose Foundation
- Bharati
- Canyon Creek Foundation
- Deshpande
- Infosys
- Johari Dalamchand Sohanlal Baid Trust
- JSW
- Manipal Foundation
- Mastek Foundation
- Prashant H Fadia
- Pratiksha
- Sarojini Damodaran Trust

### Institutions

- Avishkar-Divakars Hospital, Bangalore
- Durlabji Hospital, Jaipur
- Indian Institute of Management, Bangalore

- Indian Institute of Science, Bangalore
- Kasturba Medical College, Manipal
- M.S. Ramaiah Medical College & Hospital, Bangalore
- Regional Institute of English, Bangalore

### Corporates

- ABB India
- Aditya Birla Group
- American Express
- ANZ Technology
- Applied Materials
- Ashok Leyland
- Bellary Iron Ore Pvt. Ltd
- Bharat Electronics Ltd
- Bharat Petroleum
- BOC India Ltd
- CADILA Pharmaceuticals
- CISCO
- GAIL India Ltd
- GMR
- Gokaldas Exports
- Indu Projects
- IVRCL
- Kudremukh Iron Ore Co. Ltd
- MICO BOSCH
- MindTree Consulting
- MMTC Ltd
- Mysore Minerals Ltd
- MRPL
- NMDC
- ONGC
- Phillips
- Praxair India Pvt Ltd
- Siemens
- Sobha Developers
- Steel Authority of India Ltd
- Suzlon Energy
- The Embassy of Japan in India
- The Sandur Manganese & Iron Ore Ltd
- Tungabhadra Minerals Ltd
- UB Group
- Unsaved Seeds Pvt Ltd
- VAG Exports Pvt Ltd
- Vibhutigudda Mines Pvt Ltd
- Y. Mahabaleswarappa & Sons

The above table illustrates that our Compounded Annual Growth rate for the past 5 years has been 67% in terms of enrollment and 84% in terms of meals served. Similarly, the Compounded Annual Growth rate for the past 3 years has been 40% in terms of enrollment and 34% in terms of meals served. To reiterate, this phenomenal growth has been possible because of the continuous support and commitment to our cause from all our stakeholders, especially given the current troubled times.

As of 31<sup>st</sup> March '09 our reach has extended to 1,008,518\* children receiving hot, nutritious meals catered to from 17 Kitchen locations, with 275 vehicles delivering them on time day after day across India. As a case for further support the stakeholders are requested to note the fact that currently of the above 275 vehicles, 107 vehicles are hired, which may soon be replaced with self owned vehicles based on the contributions received.

\*Feeding 1,091,000 children as on Oct 2009

### Finance: Eye of the Needle

During the year, the Foundation has incurred expenditure of Rs. 7,007.38 Lakhs towards mid-day meals and other programs and invested Rs. 1,170.22 Lakhs towards expansion of kitchens and other capital expenditure. The Foundation received Rs. 4,082.02 Lakhs in the form of donations and Rs. 4,014.30 Lakhs as grants and subsidies from Government and Governmental bodies. A snapshot of the financial performance is given below:

Income and Expenditure for the financial year ended 31 <sup>st</sup> March		In Rs. Lakhs	
	2009	2008	
Income	7,234.02	5,363.85	
Expenditure	7,007.38	5,759.79	
Excess of income over expenditure / (Expenditure over income) before tax	226.64	(395.94)	
Income Taxes	-	1.55	
Excess of income overexpenditure / (Expenditure over income) after tax	226.64	(397.49)	
Receipts and Payments for the financial year ended 31 <sup>st</sup> March		In Rs. Lakhs	
	2009	2008	
Opening Cash and Bank Balances	598.19	530.60	
Add: Receipts	7,538.60	6,245.24	
Less: Payments	6,959.21	6,177.65	
Closing Cash and Bank Balances	1,177.58	598.19	

Revenues raised by your Foundation can be analyzed as illustrated in the table below. The table clearly indicates that there is an increase in total revenue by 23%. The raise is attributable to increase in cash subsidy to the extent of Rs.767.38 Lakhs. This is an outcome of increased cash subsidy given per meal mainly by the State Governments of Karnataka, Uttar Pradesh, Andhra Pradesh and Chhattisgarh. The raise in revenues has also occurred due to the increase in donations received to the extent of Rs.661.91 Lakhs. There is also a notable increase in revenues not related to the mid-day meal programme. This has occurred as a result of activities taken up additionally by your Foundation, like serving victims of flood in the State of Orissa.

Rupees in lakhs		
SOURCES OF REVENUE	2008-09	2007-08
Grain Grants	662.92	598.86
Cash Subsidy	3,351.38	2,584.00
Donation Abroad	721.12	672.82
Donation India	3,360.90	2,747.29
Others	133.71	94.87
<b>Total Revenue</b>	<b>8,230.03</b>	<b>6,697.84</b>

Note: Donations taken from Receipts & Payments

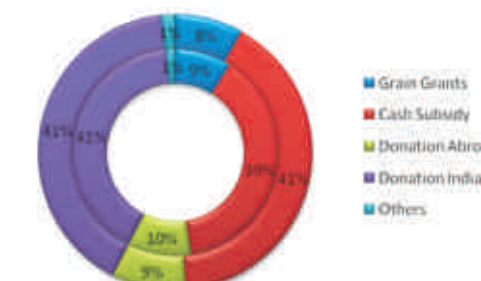


Figure 3: Composition of Revenue 2008-09 Vs. 2007-08



## Laurels to the esteemed Governmental Agencies

The spectacular growth which your Foundation has experienced would not have been possible had it not been for the timely help extended by various Government agencies. In terms of financial support these agencies have been significantly contributing to our efforts. From 2004-09 Government agencies have been instrumental in covering up to 44% of the total revenues of Akshaya Patra. The following chart illustrates how the Foundation has been supported over the years with contributions received from the Government & Governmental agencies.

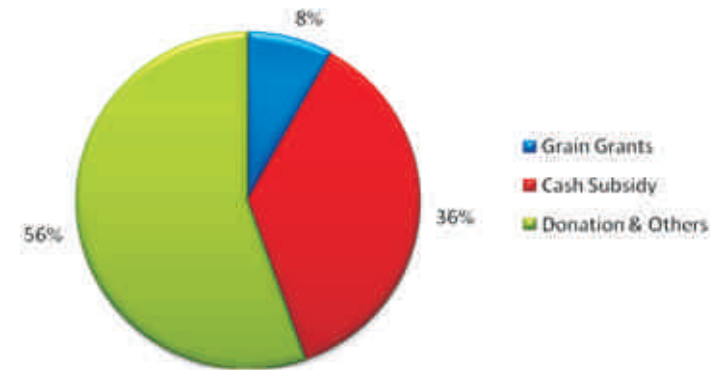


Figure 1: Sources of Revenue for last five years 2004-09

Your Foundation receives 100 grams of food grains per child for Primary schools and 150 grams of food grains for High schools from Central and State Governments. As on 31<sup>st</sup> of March 2009, the Foundation is in receipt of the following cash subsidies per meal from each of the participating State Governments.

Class	1-5	6-7	8	9-10
Karnataka	1.80	1.80	2.20	2.20
Rajasthan	2.08	2.60	2.60	
Orissa	2.22	2.74	2.74	
Gujarat	2.00	2.00		
Uttar Pradesh	2.50	3.00	3.00	
Chhattisgarh	2.58	2.60	2.60	
Andhra Pradesh		3.00	3.00	3.00

## Vital Statistics

The Foundation has witnessed phenomenal growth in the past few years owing to the sustained support we have been receiving from all our stakeholders, donors and the Government.

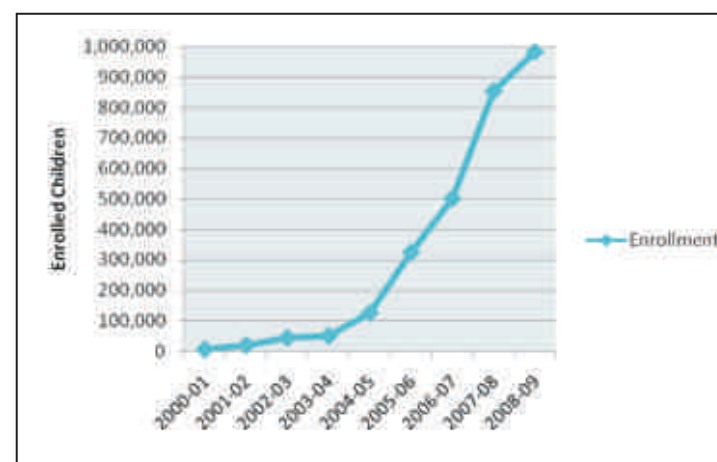


Figure 2: Growth in Children Enrolled

## Individuals

- Smt Jaishree Deshpande
- Sri Kailash Pati Dalmia
- Sri Mohandas Pai
- Sri Ravindra Chamaria
- Sri Rajendra Hinduja
- Smt Sudha Murty

## Financial Sector

- Accenture
- Andhra Bank
- Birla Sun Life Asset Mgmt Co Ltd
- Canara Bank
- Citibank
- Citigroup Global Markets India Pvt Ltd
- Corporation Bank
- Deutsche Asset Mgmt (I) Ltd
- DSP Merrill Lynch
- Enam Securities
- Goldman Sachs
- HDFC Asset Mgmt Co Ltd
- HSBC Asset Mgmt (I) Pvt Ltd
- ICICI
- JM Capital Mgmt Pvt Ltd
- Kotak Mahindra Asset Mgmt Co Ltd
- LIC
- Nomura Securities
- Reliance Capital Asset Mgmt Ltd
- Syndicate Bank
- State Bank of Mysore
- UBS
- Union Bank of India

Apart from these, we also thank thousands of individuals, corporates, foundations & institutions who remain committed to our mission of seeing a hunger-free nation.

## From our friends

The individuals who donate regularly to Akshaya Patra Foundation are so important to us. We would like to thank everyone who responded so generously to our appeals during the year, and to all those who have made a commitment to give a regular gift each month.

## When the times get tough...

2008/09 was a challenging year due to the worldwide recession which partially did affect our fund raising capacities. In fact it has been a tough year for all charities worldwide. However, we continued to sail with our committed donors and supporters standing staunchly by our side. We are indebted to all those who responded compassionately and remained undeterred in their commitment to our goals.



**“What do I get out of it? It's hard to articulate. It's been a huge part of my life.”**

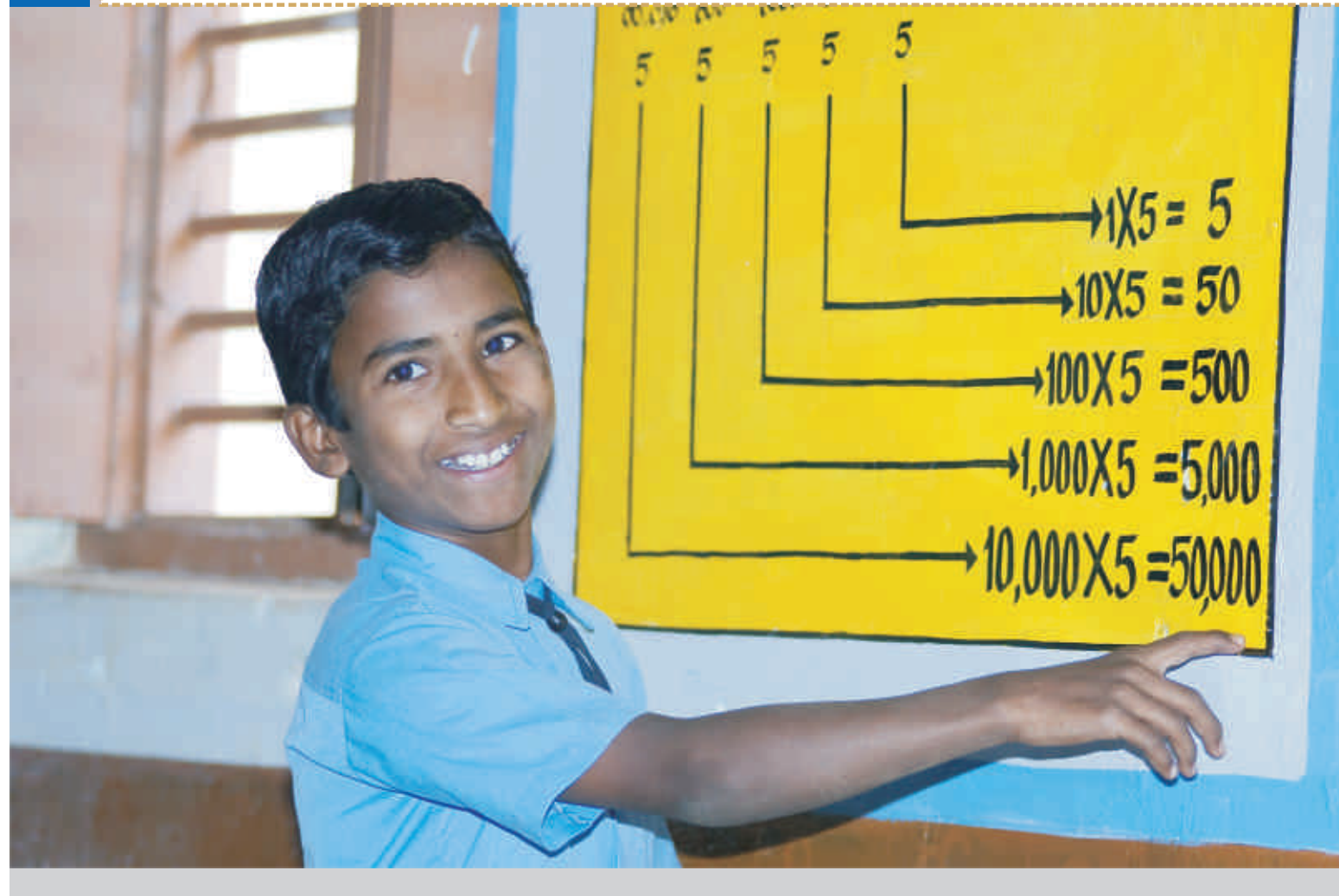
- an Akshaya Patra supporter

## Kids learn the importance of a meal

“To know the importance of food, the students of Grade-5 fasted for four days. Along with the teachers they ate only one meal-lunch. This made them understand the importance of the mid-day meal which Akshaya Patra provides to underprivileged children. They have surely learnt that helping Akshaya Patra is not only beneficial for the cause but also for future generations. They have also been sensitized to the value of food and to the importance of being humane.”

- Kiran Sethi  
CEO- Riverside School  
Ahmedabad





To,  
The Stakeholders,

The fiscal year 2008-09 commenced with the Indian economy sliding into a cyclical slow down. It followed various other economies across the world, which at the time were battling the crisis created by bankruptcies of major global financial institutions. In the first two quarters in India, especially towards the end of the second quarter, we have witnessed a high inflationary situation. Owing to which the prices of basic commodities touched alarmingly high levels. This was then followed by shortages of fuel in the country. As the last quarter of the year dawned, the inflationary situation eased owing to reduced commodity pricing. However, crop failures have affected the prices of certain essential food items toward the end of the fourth quarter.

Against this backdrop, the growth which our economy experienced in the past should have reduced the gap between the haves and the have-nots. However, with the growth itself being affected, this gap is further expected to increase. As an alternative to this, it is desirable that the emphasis of policy makers should be more on ensuring that the developmental sector does not get affected by this slow down. By continuously supplying a good meal and thereby ensuring that a child goes to school and completes education up to High school, Akshaya Patra is striving to transform literate population into employable population. The resilience of an economy can be established when we have such gaps reduced.

## A brief on the year gone by

Our vision of reaching one million by 2010 was almost reached with support from the Central and State Governments, donors, teachers, parents, children and our committed volunteers and employees. During the year, the Foundation has delivered 14.23 Crore meals as against 12.74 Crore last year. In terms of children fed per day, our enrollment has grown from 852,922 to 1,008,518\* per day. The growth and continuous effort to consolidate the scale has helped us in retaining our costs to a major extent.

### QUALITY: The key word

At Akshaya Patra, we always believe that charity is not for a child and that the meal we deliver should be of a quality which any child from a privileged family can expect to eat. In order to ensure that a quality meal reaches these children, the Foundation got 6 of its kitchens certified under FSMS ISO 22000:2005, the certification has been acquired in accordance with Codex Alimentarius Commission and ISO 22000:2005 (the International Food Safety Management System). This is one of the first such achievements for any Non-Government Organisation to have for a high standard of quality certification. Currently the Foundation is in the process of getting three more kitchens under this certification. Along with the due ISO certification, the Foundation has planned to strengthen the internal Quality Control Department and conduct a periodic third party hygiene audit of the kitchens. These systems are being planned to ensure that a high quality meal reaches the school.

### Accolades Pour In

Your Foundation has received accolades. To name a few, a Congratulatory Note from U.S. President Mr. Barack Obama while he was campaigning for presidency, CNBC's Best Social Enterprise of the Year Award, Limca Book of Records for being the world's largest mid-day meal programme under Public-Private Partnership.

Your Foundation strives to measure the impact of its activities. In line with the objective, we conducted a study during the year with assistance from A.C Nielsen, a renowned agency in market research and the results of the study indicated that enrollments have increased and underweight child population has reduced.

During the year, your Foundation has started its operations in Hyderabad, Vizag, New Delhi and Bhilai. In Hyderabad and Vizag, we are providing meals to children studying in High Schools. With Bhilai covering 30,000 meals per day in April 2009, the Foundation has reached the much cherished target of one million meals to school children under the mid-day meal program of the Government of India & State Governments. We have since crossed this milestone and now are serving 1,008,518\* children.

During the year, apart from the primary activity of providing mid-day meals, your Foundation was actively involved in flood relief programs in the States of Orissa and Uttar Pradesh and has supplemented Governmental efforts to provide relief. Similarly, your Foundation has helped the Governments during various emergency situations of terror strikes at Jaipur, Bangalore to name a few. Our centralized kitchen infrastructure was put to use during these times of need.