

AKSHAYA
PĀTRA



Unlimited food for education

Annual Report
2009 - 2010

One hot meal.
What can that do
for India?



1.2 million school children.
1.2 million meals.
Every day.

One hot meal helps bring a child to school.
This meal enables the child to get an education.

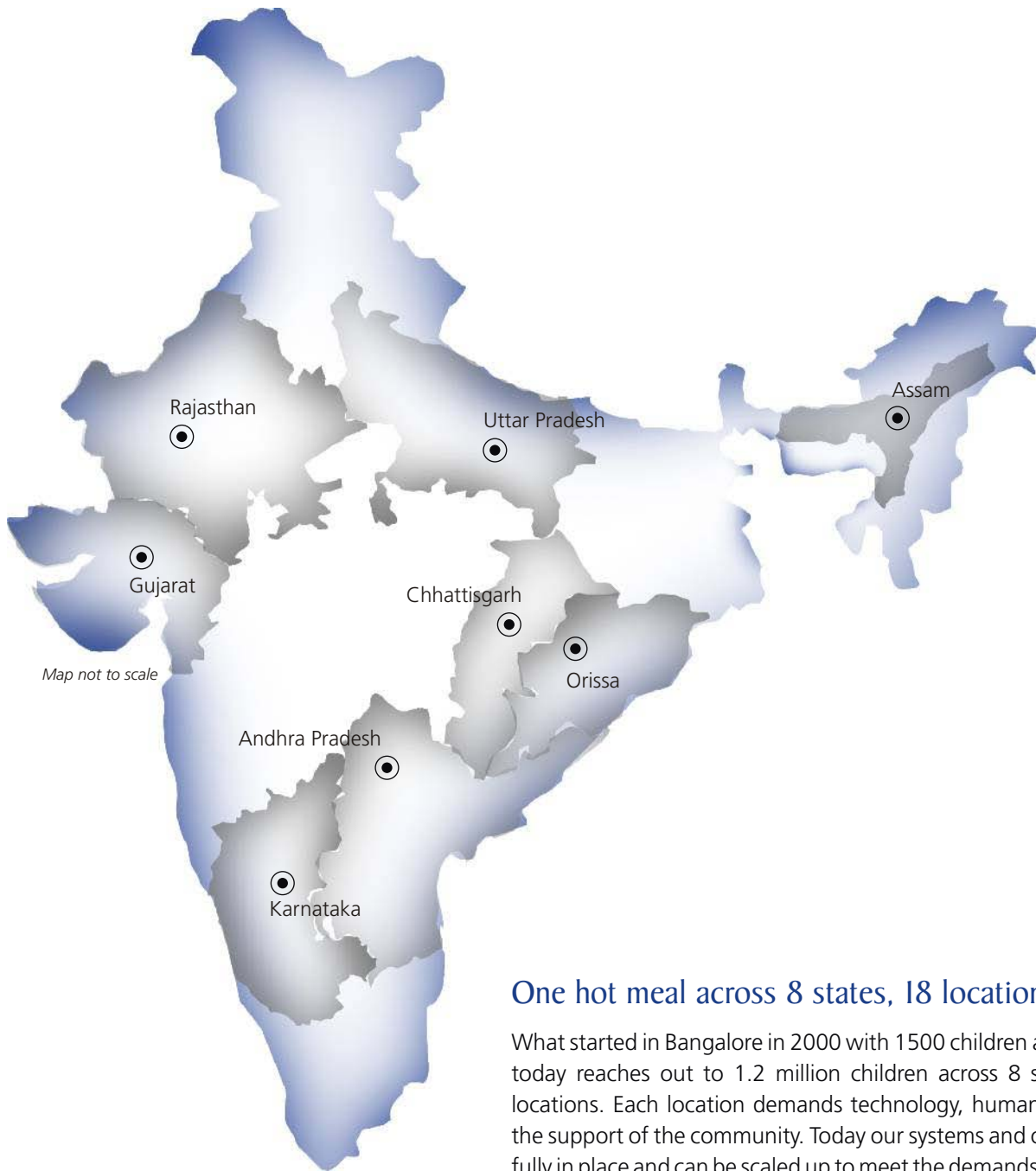
With 1.2 million hot meals every day,
we enable education for 1.2 million children.

A large section of India's population
is under the age of 25.

This makes India one of
the world's youngest nations.

With education,
we can also become
one of the world's strongest nations.





One hot meal across 8 states, 18 locations.

What started in Bangalore in 2000 with 1500 children and 5 schools, today reaches out to 1.2 million children across 8 states and 18 locations. Each location demands technology, human support and the support of the community. Today our systems and operations are fully in place and can be scaled up to meet the demands of expansion. Wherever the local community needs us, wherever governments want us, we can be present.

State	Children	Employees [#]	Value of Assets (Rs. in lakh)	Vehicles [*]
Karnataka	558,985	1,135	4,412	138
Rajasthan	163,420	720	1,353	63
Gujarat	176,976	350	627	41
Uttar Pradesh	152,891	906	1,018	56
Orissa	64,977	183	261	28
Andhra Pradesh	35,707	103	191	11
Chattisgarh	30,949	115	173	14
Assam	19,646	129	172	14
Grand Total	1,203,551	3,641	8,207	365

^{*} Both owned and hired.

[#] Direct and indirect employees including self-help groups.

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Partner, Fresco Global

Closer to our dream.

As Indians, we are at a crossroads today. Progress in India today, is being driven by an economy that is boosted by a large middle class population and we are playing a significant role globally. While for one section of the population, progress and prosperity has become a reality, for a large majority, nothing much has changed.

This, is the Indian paradox. Statistics show that in the years to come, India will emerge as one of the world's youngest populations. And yet, the population that we quote as our demographic dividend can be viewed from another perspective as a demographic liability. The reasons for this are poverty and illiteracy. There is therefore only one way to convert this liability into an asset – more and more of India's youth need to be educated. The synergy between the mid-day meal and education is very strong as studies have proved that for many children, the meal is the reason they come to school. Retaining them after that, becomes easier.

The Akshaya Patra Foundation is striving towards the ultimate goal of a prosperous and educated India by working in partnership with Central and State governments to provide mid-day meals to over one million school children in eight states across the country.

Akshaya Patra has prioritised and sustained the mid-day meal programme for the past ten years and has also shown tremendous growth. This would not have been possible without the untiring efforts of the devotees of ISKCON-Bangalore, the donors, our dedicated staff and most importantly, the support of the Central government and State governments in the states where Akshaya Patra operates.

We are but five years away from the deadline for achieving the Millennium Development Goals (MDGs) and it is important for everybody to come together so that we achieve them. To realise our dream of a nation where no child is deprived of the right to food or education, we have a lot more to do and a long way to go. Our endeavour in the coming years will be in that direction. In the words of Robert Frost, "we have miles to go before we sleep...."



Madhu Pandit Dasa



T V Mohandas Pai

The Government - always by our side.

We take this opportunity to acknowledge the support of the Central and State governments where we work. That we have been able to function efficiently and achieve what we set out to do, owes largely to this support.

In the year 2009-10, the contribution from the Government was Rs. 4,346.70 lakh vis-à-vis the total income of Rs. 8,926.66 lakh, displaying an increase of more than Rs. 894.90 lakh in absolute terms or 53.35% over the previous year's numbers.

The Central government encouraged us to seek donations u/s 35 AC and 80 G of the Income Tax Act; this has been of great assistance to us. The renewals thereafter have been smooth and hassle-free. The Ministry of Home Affairs, Government of India has also accorded us the permission to collect overseas donations under the Foreign Contribution Regulation Act (FCRA), 1976, thus further strengthening our fund raising avenues. We have equally reciprocated their trust in us by furnishing the requisite FCRA returns on time, year after year.

The government has been sensitive and responsive to factors that impact the mid-day meal scheme; the increase in cash subsidy in December 2009 being one such example. This increase has been timely and helpful in sustaining the programme as inflation rates were high and likely to affect the quality of the mid-day meal scheme. Table 5 of the Trustee report gives a detailed account of the cash subsidy increase.

The Food Corporation of India (FCI) and the Food and Civil Supplies Corporations in all the states where we operate ensure that we receive quality grains on time and we are thankful for this. Through a new initiative, some of the State Trading Corporations (STCs), after verifying the increase in provisions input costs, have agreed to import

certain ingredients. This not only helps to source ingredients at more competitive prices, but also ensures that stakeholder contributions are better utilized and that children get the best.

Thanks are due to the state governments in Karnataka, Uttar Pradesh, Rajasthan, Orissa, Gujarat, Andhra Pradesh, Chhattisgarh and Assam for timely release of subsidies, which ensure smooth running of day to day activities.

The Akshaya Patra Foundation has earned the trust of the various state governments. This is evident from the fact that in times of disaster, such as the recent floods in North Karnataka, the Karnataka Government approached the Foundation for help with the relief operations. State governments have also, at various times, approached Akshaya Patra for other initiatives such as Akshaya Kalewa, senior citizen feeding etc. in Rajasthan and Karnataka.

Strong evidence of the cooperation between the various governments and Akshaya Patra is the example of Guwahati in Assam, where a kitchen was set up in a record span of three months. In his inaugural address in February 2010, the Governor of Assam, His Excellency J B Patnaik, placed on record his appreciation of Akshaya Patra efforts by saying, "The best way to provide good, healthy and nourishing meals has been demonstrated by Akshaya Patra".

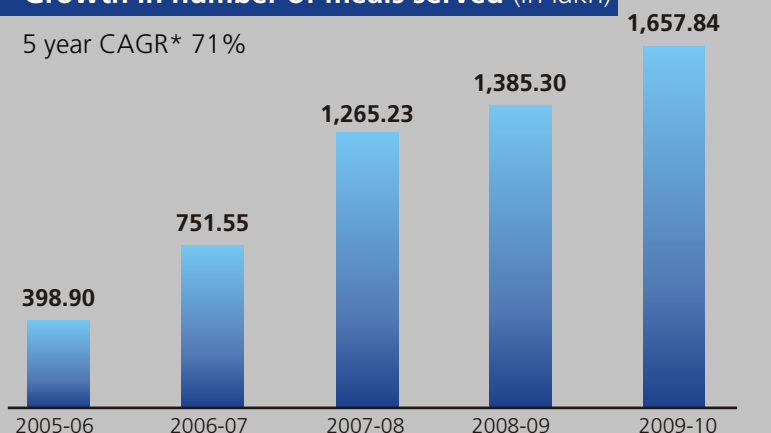
Akshaya Patra is proud to enjoy the complete support of the Central and State Governments. While it is not possible to name all those who stood by us all these years, we record our gratitude and thanks to all of them and acknowledge the support they have given us which has helped us implement the programme efficiently and **serve one hot meal to over 1.2 million children, day after day, without fail.**



Financial highlights

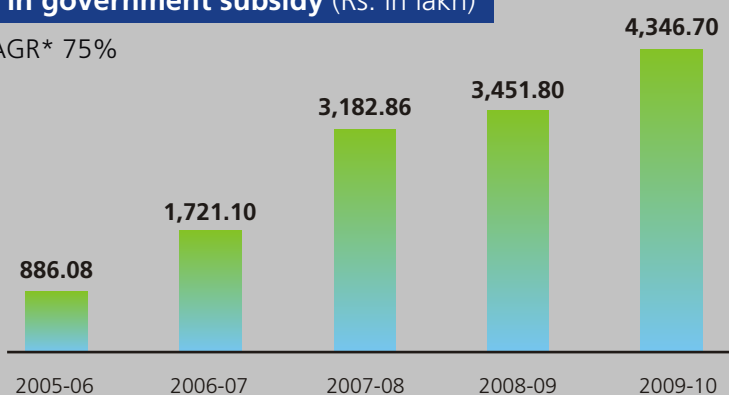
Growth in number of meals served (in lakh)

5 year CAGR* 71%



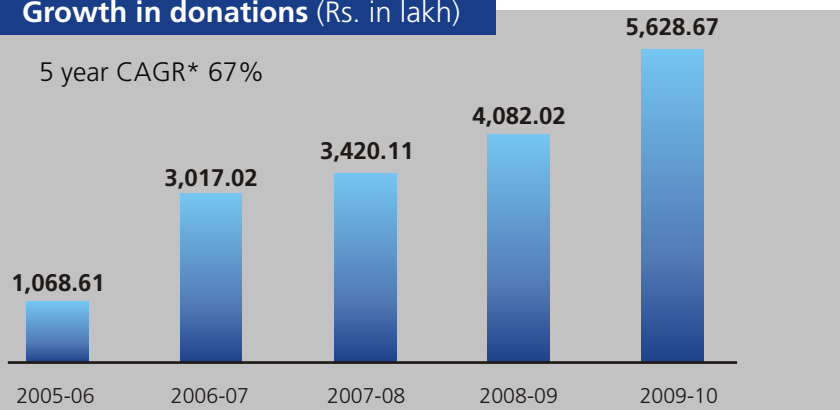
Growth in government subsidy (Rs. in lakh)

5 year CAGR* 75%

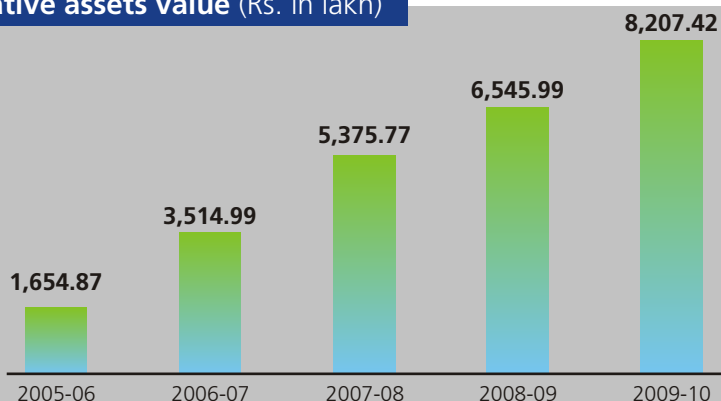


Growth in donations (Rs. in lakh)

5 year CAGR* 67%



Cumulative assets value (Rs. in lakh)



*CAGR: Compounded annual growth rate

One hot meal changes not just a child's life. But also the world it grows up in.

Every Indian has a right to food.
And with the mid-day meal programme,
this right is what we address.

The mid-day meal programme ensures
that children deprived of nutritional security,
are provided meals with the
right nutritional profile to ensure
full cognitive development.

Nutrition and education enhance
the physical and emotional development of the child.
And to an extent, develops the child's sense of self.

Mid-day meals improve school enrolment
and attendance. Thus contributing to
every Indian child's right to education.

Mid-day meals protect children from
'classroom hunger', a great deterrent to education.

Provision of food at school, encourages parents
to send the girl-child to school as well.
Thus correcting the gender-gap in education.

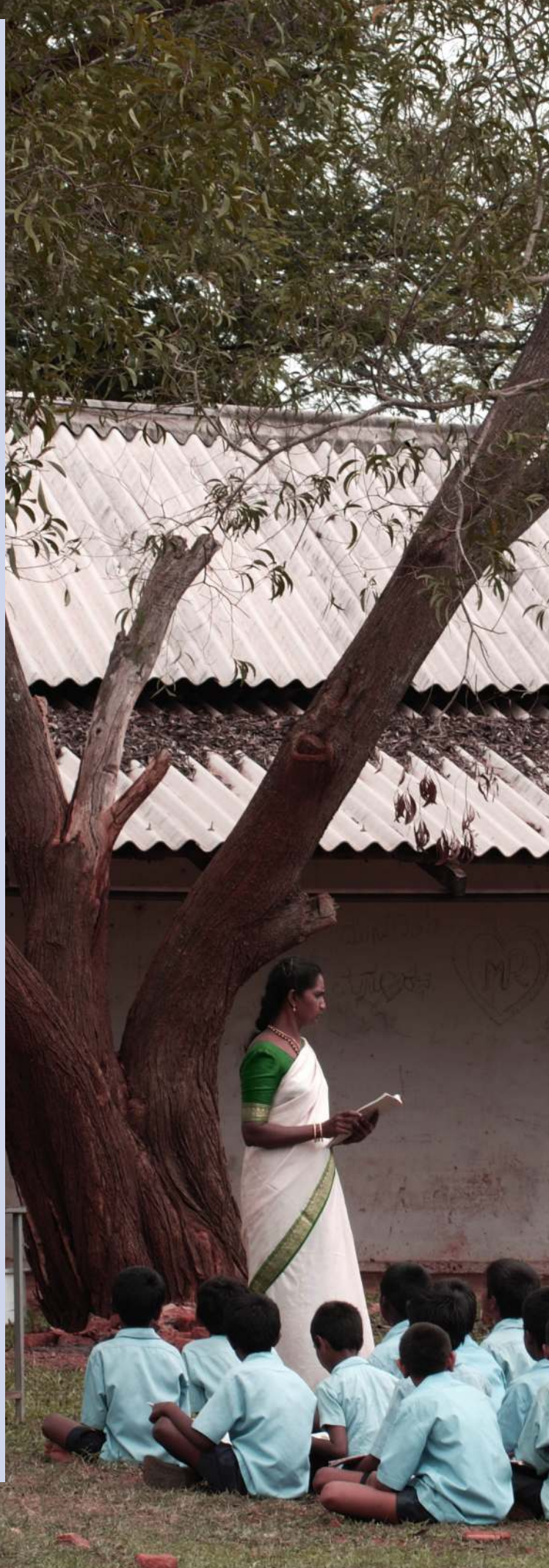
Studying and eating together,
is the simplest way to undermine caste prejudices.

As an extension of the Akshaya Patra mid-day meal
programme, underprivileged children also undergo
the WHO recommended Life Skills Programme.

The school-meal programme helps to enhance the
economic status of parents by taking on the onus of
feeding their children during the day.

The mid-day meal programme
is a source of economic support
for the poorer sections of society.

It's just one meal.
But its cumulative impact is a strong, educated, egalitarian India.





One hot meal can transform.

When one child is deprived of the right to education, what it does is set progress back by two decades. Because when that one child is deprived, progress for that family has to wait till the next generation gets an education. With one meal and education therefore, you transform generations to come.

Today, millions of children of school going age are out of school. Each of these children has the potential to be educated, the right to live better and the ability to contribute to India's progress. These children, given an education, can go on to become responsible citizens who are capable of providing a better future for their families.

This is what The Akshaya Patra Foundation is trying to achieve.



The right to food, the right to education, the right to a future.

It is the nation's responsibility to meet the aspirations of her people. This includes the right to food, the right to education and the right to aspire to a better future.

The Akshaya Patra programme addresses two fundamental and immediate rights - those to food and education. By providing nutritious, wholesome meals, we help attract children to school, retain them there and provide them with an education and holistic development. And, put them on the path to a better, brighter future.

This year, with the support of all our stakeholders, we reached out to over 1.2 million students. This is a matter of pride for us.

Our mission, is to reach 5 million children by 2020.



Ajay Singh studies in Class 7 at the Uchattar Madhyamik Vidyalaya, Bhilai. He lost his father about four years ago. His mother is a daily wage earner who has to support three children including Ajay. Being the eldest, Ajay started working in a nearby *dhaba* and skipped school very often. He collected left over food from the *dhaba* for his family.

Through the initiative of a school teacher, Ajay rejoined school. When the Akshaya Patra mid-day meal programme began, Ajay started attending school regularly as he was sure of getting at least one full meal in school every day. His teachers report that Ajay has also improved in studies and sports. The Akshaya Patra mid-day meal is a boon for this single parent family and the child.

**Ajay Kumar Singh*, Uchattar Madhyamik Vidyalaya,
Kurud, Bhilai, Chhattisgarh.**

.....

Sandhya's father suffers from TB and cannot work. Her mother works as an *anganwadi* helper and earns daily wage labour. The family is economically very backward and has only one earning member. Sandhya often comes to school without breakfast as her mother goes to work early in the morning and has no time to prepare food for the child. Sandhya studies in class IV. Her academic performance is also not good and before availing of Akshaya Patra meals Sandhya was very irregular in school. Sometimes she used to accompany her mother for wage labour. After becoming part of the Akshaya Patra programme, Sandhya's attendance in school has improved and her health is also showing improvement. Her teachers say that Sandhya might have stopped her education in the absence of the Akshaya Patra mid-day meal.

**Sandhya Swain*, Madhapur UPME School,
P.O. Madhapur, Andhra Pradesh**

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*Case studies drawn from Impact Assessment of
Mid-Day Meal programme conducted by
A C Nielsen ORG MARG Pvt. Ltd.*

**Names changed*

What we invest in, is today. What we invest for, is tomorrow.

To address the fact that large numbers of children in India are malnourished, The Akshaya Patra meals are planned and designed under the guidance of the Department of Food Sciences, University of Illinois, Urbana-Champaign, IL. This is to ensure, scientifically, that the calories, proteins, lipids and micro-nutrients meet the recommended daily allowance (RDA) of a child. This assumes special significance, as for many children, the mid-day meal is the only meal of the day.

Impact studies have shown that height and weight measures have improved after the implementation of the programme. Students are also seen to be more attentive and energetic. Ten years into the Akshaya Patra programme, the results are beginning to show. We have beneficiaries who are now healthier, economically independent and able to contribute to society.

Beyond the meal: Akshaya Life Skills Programme.

Studies have shown that mid-day meals improve attendance and help retain children in school. Akshaya Patra, over the past ten years, has also understood that mid-day meals are but a means to a very significant end - holistic education. With this understanding, The Akshaya Patra Foundation, in collaboration with Activity Edu Media Pvt. Ltd., Has initiated pilot measures to address supplementary education and life skills training. Recommended by WHO, the Life Skills Training programme provides value-added learning to children in over 7,000 schools. The 10 Life Skills as outlined by WHO are:

Decision Making Skills • Problem Solving Skills • Effective Communication Skills • Inter-personal Skills • Creative Thinking • Critical Thinking • Self-awareness • Empathy • Coping with stress Self-management.

Details of the beneficiaries of the Akshaya Life Skills Programme is given in the table below:

Year	No. of Students	Locations Covered
2006-07	2,000	Bangalore
2007-08	15,000	Bangalore, Hubli
2008-09	25,000	Bangalore, Hubli, Mysore
2009-10	25,000	Bangalore, Hubli, Mysore



Responding to disasters.

In the reporting year, the northern parts of the state of Karnataka witnessed severe flooding, devastation and widespread misery and many were rendered homeless. The Akshaya Patra Foundation responded to this disaster promptly by supplying food for more than 3,50,800 flood affected victims over a period of 18 days.

Akshaya Patra volunteers worked under extremely challenging circumstances to prepare and supply the food, which was airlifted from the Bellary kitchen and delivered to people who were virtually marooned by the floods. Some of the districts where Akshaya Patra supplied food were Bellary, Koppal and Raichur.



Initiative for senior citizens.

The Akshaya Patra Foundation has been providing mid-day meals to senior citizens since Feb 2008 in response to a request from the Bruhat Bengaluru Mahanagara Palike (BBMP) through the HK Hill and VK Hill kitchens. BBMP identifies the beneficiaries based on a detailed survey report done by the BBMP Welfare Department and issues ID cards to the beneficiaries.

Currently, meals are being supplied to around 10,315 people per day at 74 centres across Bangalore. Akshaya Patra is also making efforts to extend this programme to other towns and cities in the coming years.





One hot meal helps us create a better tomorrow. And improves today for the community it works with.

When parents send the girl child to school for a meal, it helps address a problem that the nation has been grappling with for decades - education being seen as a privilege of the male child. When a girl starts going to school, it is the beginning of a chain of events that propel her and the nation towards gender equality.

Learning and eating together also helps address caste barriers. Owing to the fact that children across different castes study together in schools, divisiveness gets reduced and the act of eating together further blurs the lines that divide people.

Engaging communities.

Akshaya Patra's centralized kitchens have a limitation: they are not suitable for feeding school children in remote rural areas. Smaller villages do not have large enough numbers of children to make large-scale production feasible and bad roads make it difficult for food to be distributed widely. To remedy that, Akshaya Patra has adopted decentralized kitchens.

Under this model, the programme identifies self-help groups of women in villages who cook and distribute meals in smaller quantities. Akshaya Patra provides these groups with the ingredients and the required set-up by way of place, fuel and vessels. It also provides them with training in cooking, nutrition, hygiene and bookkeeping and monitors them on a regular basis. The decentralized kitchens are located in Rajasthan, Orissa and Uttar Pradesh and extend to tribal communities in more than 300 villages. By training these self-help groups and showing them the path to a decent livelihood, The Akshaya Patra Foundation has boosted their self esteem and given them a sense of purpose and pride.



The green meal

Some eco-friendly initiatives being piloted at the Akshaya Patra kitchen, Hubli:

- **Effluent Treatment Plant (ETP)** – In order to address concerns of hygiene everything that is procured, is thoroughly washed. This includes rice, vegetables and lentils. The water used for washing contains nutrients and is used for bio-culture. Waste water is also used for washing vehicles.

- **Rainwater Harvesting** – Hubli receives substantial rainfall and in a bid to use this, TAPF has adopted rainwater harvesting wherein the rain water is routed into a pond. The water retained in the pond continuously recharges the bore-wells, and reduces dependency on corporation water.

- **Bio-Gas Plant** – The kitchens generate by-products and organic waste such as vegetable peelings in large quantities on a daily basis. Proper disposal of the waste poses challenges. The bio-gas plant ensures that by-products can be converted into fuel for cooking purposes.

- **Vermi-composting** – By-products and organic wastes are currently addressed by vermi-composting and will be fully replaced by the bio-gas plant.

- **Thermite Briquette Boiler** – To reduce air pollution, a briquette boiler has been installed. Briquettes are sustainable alternatives to conventional fuels and are made of agri-waste - compressed groundnut shell and grain husk. They also reduce carbon emission and constitute a big step towards achieving a green system.



Before Akshaya Patra implemented the mid-day meal programme in Sechan Primary School, the enrolment was very poor and stood at 140 students in 2006. Today it has more than doubled and stands at around 300 students.

More importantly, the attendance has improved; it is 90% on most days. Children eagerly look forward to the Akshaya Patra meal. "Once the children get enrolled, having been attracted by the meal, we know how to retain them and make them study well," says **Mr. Prasanna Mishra, Headmaster, Sechan Bihar Primary School, Bhudan Nagar, Penthakata, Puri**. He adds that if not for the Akshaya Patra meal, the children would have gone hungry many a time.



"I am with the Akshaya Patra Foundation for the last six years. I am proud that in some way, through my work I am able to contribute to feeding a child. I have realized how important a hot meal is to school going children,

because when I travel to rural schools to deliver the meals, school children rush to my vehicle for their meals. For many students this is the only meal of the day, so I make sure I reach on time everyday."

K.S. Raju, Driver, The Akshaya Patra Foundation, Bangalore



"I joined the Akshaya Patra Foundation nine years ago as a helper, now I have been promoted as a cook. Visitors to the Akshaya Patra kitchen are amazed to see the quantity of food being cooked, but for me it is a duty and I

make sure the food I prepare is cooked with utmost hygiene and care. I am really happy when I receive feedback from children that the food that they get is tasty and they look forward to lunch everyday."

Madhu, Cook, The Akshaya Patra Foundation, Bangalore

Awards and recognition.



Indian Urban Space Foundation - Best Innovative Project Award

The Akshaya Patra Foundation has been awarded by the Indian Urban Space Foundation with a Best Innovative Project award for Innovations in Services for Urban Poor. Ms. Selja Kumari, Union Minister for Housing and Urban Poverty Alleviation (MoHUPA), Government of India, presented the award at a ceremony in New Delhi.

The award has been instituted by the Indian Urban Space Foundation in collaboration with CISCO Systems with support from the Swedish International Development Agency (SIDA), the World Bank, Ministry of Housing and Poverty Alleviation as well as the Ministry of Urban Development, Government of India, to recognise the spirit of entrepreneurship in solving social challenges.



ICAI- Gold Shield Award

The Institute of Chartered Accountants of India, the country's most prestigious accounting body, conferred the Gold Shield Award to Akshaya Patra for the Best Financial Reporting in the NGO sector for the Financial Year ended 2008-2009. The criterion for the award is a review of accounting practices adopted by all the participating organisations for preparation of financial statements.



Indian Express Innovation Award

The Akshaya Patra Foundation received the Indian Express Innovation Award for its scalable, technology driven kitchen model. The Gold trophy was presented by Dr. Nandan Nilekani with a citation that describes Akshaya Patra as 'a role model for the mid-day school meal programme'. Initiated in 2005 by Dr. APJ Abdul Kalam, the objective of the award is to promote progressive organizations and build a culture of innovation in India.



Tech Museum Award

Akshaya Patra won the Tech Museum Award in the education category for the year 2009. The award recognises social entrepreneurs who have leveraged technology to benefit humanity. It was presented by Applied Materials, Inc., with a cash prize of US\$ 50,000 at a ceremony in San Jose. Established in 2000, The Tech Awards have recognised 15 Laureates who have developed new technological solutions or innovated on existing technologies to significantly improve the lives of people.



CSO Partners - Outstanding Annual Report Award 2008-09

The Civil Society Organization awards recognize financial transparency in the voluntary sector and recognise exceptional standards in financial reporting, preparation and presentation of annual reports. Akshaya Patra received the award in the reporting year for an Outstanding Report.



AmeriCares Award for appreciation of nutritional standards

AmeriCares, a global health and disaster relief organization, helps people around the world live longer, healthier lives by supplying critical medicines and improved healthcare in response to disasters and ongoing humanitarian needs.

We were privileged to be nominated in more than one category at the awards ceremony this year and were conferred the AmeriCares Spirit of Humanity Award for Child Nutrition. The award was presented to The Akshaya Patra Foundation by Sri Vaibhav Bhanchawat and Lt. Gen. (Retd) Dr. JR Bharadwaj. It was sponsored by GSK Consumer Health.

Technology at work for one hot meal.



Hubli kitchen

One hot meal sounds easy. But multiply that by 1.2 million and it becomes a challenging task to handle as each meal has to have the right nutritional balance and must conform to high standards of hygiene. And once the meal is ready, comes the task of ensuring that it reaches the beneficiaries hot, and on time.

Akshaya Patra has 15 centralized kitchens today that use the most innovative technology. Most kitchens are designed to cook large numbers of meals every day. Some kitchens can cook up to 100,000 meals per day. Akshaya Patra meals are designed to suit local preferences. Therefore kitchens in the South are equipped for a rice-based menu and kitchens in the North cater for a wheat-based menu. While the rice cauldrons are designed to cook 100 kg of raw rice for 1,000 children in 20 minutes, the *roti* making machines roll out 40,000 rotis to the hour! Desserts, served every Saturday, are again in keeping with local preferences.

This food is packed into stainless steel containers, tightly packed to retain heat. These containers are then transferred to specially designed vehicles which bring food to the schools. Each vehicle can carry food for upto 5,000 children.

Our effort is to ensure that the food is delivered piping hot and is consistent in quality and hygiene. And that the food is as tasty and nutritious as the food that a privileged Indian child gets at home.

Akshaya Patra has improved its kitchen services by increasing the number of *rotis* produced to meet the requirement of children. The *roti* machine was first introduced in 2004 in Vrindavan as children in those areas preferred *rotis* to rice. The challenge however was catering to the large numbers required. It called for huge manpower and a lot of time. The need of the hour was for technology that could fulfill quantity requirements. A machine was procured which could produce 10,000 *rotis* per hour, but this was found inadequate as the need was for 40,000 *rotis* per day. This meant a huge cost for acquiring more machinery.



The solution was finally provided by a firm in Holland, which recommended that the width of the oven be increased as well as the speed of cooking. A chained mesh was also introduced so that the *rotis*, would go through the mesh and come into direct contact with the flame for more even cooking. Technology is also used to ensure that oil is evenly spread over the *rotis*. After the *rotis* are cooked, a weighing machine is used to measure them and volunteers know the weight required for each destination, based on data collected. In a bid to continually improvise and improve standards, discussions are on with LPG companies for the provision of temperature sensors and thermostats to maintain the right temperature and ensure the *rotis* are cooked evenly.





Akshaya Patra kitchen at Hubli



Vegetable-cutting machines in use

The 15 Akshaya Patra kitchens across the country could well be the largest kitchens in India. Each of these kitchens are automated/semi-automated and are designed for least human intervention to ensure the highest standards of hygiene. This model leverages technology and innovates to optimise operational and economic efficiency.



Vegetable cold storage



Rice cauldrons



Vegetables ready for cooking



The sambhar being cooked



Cooked rice arrives at the loading dock



Programmed flow valve measures rice

Akshaya Patra has automated kitchens in Bangalore, Hubli, Bellary, Jaipur, Vrindavan, Gandhinagar, Mysore, Puri, Nathdwara, Ahmedabad, Bhilai, Hyderabad, Vadodara and Guwahati.



Quality control measures



Cooked food at the loading dock



Food being loaded into specially designed vans

10 years of driving change

One mid-day meal programme.
8 states. 18 locations.
1.2 million children.

“Akshaya Patra is an amazing scheme to provide food to hungry children. The scheme needs to be implemented at each and every village of our country. Philanthropic people, NGOs and government and all else have to come together and work on this on a big scale.”

*-Her Excellency Smt. Pratibha Patil,
President of India*



2000
Programme inaugurated in Bangalore. To provide mid-day meals in 5 schools.
Beneficiaries: 1500

2001
Mid-day meal becomes a right, deriving from a Supreme Court order directing all government and assisted primary schools to provide cooked mid-day meals. Thus, children (or their parents) can demand school meals. Akshaya Patra scales up. USA chapter established
Beneficiaries - 17,749

2002
First machine capable of preparing 10,000 rotis per hour installed in Vrindavan.
Beneficiaries - 43,425

2003
100% tax exemption obtained based on the recommendation from the National Committee for Social and Economic Welfare. Akshara Dasoha, a mid-day meal programme for children in government primary schools inaugurated by S M Krishna, Chief Minister of Karnataka
MOU signed with the Govt. of Karnataka for Bangalore. President of India, His Excellency Dr. A P J Kalam visits the Akshaya Patra facility in Bangalore. Conferred Rajyotsava award by Govt. of Karnataka.
Beneficiaries - 49,432

2004
Akshaya Patra extends its footprint to Hubli, Jaipur, Mangalore, Mysore. Sudha Murthy, Chairperson, Infosys Foundation, signs up as a patron to support the Hubli kitchen.
Beneficiaries - 127,442



2005

Decentralized kitchens set up in remote places such as Baran where difficult terrain makes setting up of large infrastructure infeasible.

Initiated Akshaya Patra at Puri and Nathdwara. Sajjan Jindal signs up as a patron and pledges his support to the facility at Bellary.

Beneficiaries - 324,440

2006

Conferred Independence Day award by the Govt. of Rajasthan.

Harvard Business School develops a case study for its MBA curriculum on Akshaya Patra.

Gururaj Deshpande joins the Board of Trustees at Akshaya Patra USA.

UK Chapter established.

Beneficiaries - 536,033

2007

Cumulative meals served as part of the mid-day meal programme across India crosses 250 million.

Inauguration of the Gandhinagar facility by the Chief Minister of Gujarat, Narendra Modi.

Expansion of the kitchen facilities at Nayagarh, Gandhinagar and Bangalore (South).

SAIL signs MOU to support Bhilai Kitchen.

Conferred the Republic Day award by the Govt. of Rajasthan.

Beneficiaries - 852,000

2008

Formation of the Audit Committee with V Balakrishnan as the Chairperson.

Compliance to International Financial Reporting Standards (IFRS) for 2007 -08.

Reaches 1 million children in March.

Commenced the quarterly updation of financial results of the Foundation online. A first for an NGO in India.

Enters Limca Book of Records as 'the world's largest school meal programme'.

Receive a letter of appreciation from the US Presidential candidate, Barack Obama.

Awarded the Rajasthan Gaurav Puraskar by the Rajasthan Government.

Beneficiaries - 1,008,518

2009

Cumulative meals served by us crosses 500 million.

The Chief Minister of Karnataka inaugurates the expanded kitchen facility at Mysore, Karnataka, to cater to 25,000 children per day.

The Chief Minister of Chhattisgarh inaugurates the Bhilai Akshaya Patra kitchen facility.

The Governor of Assam inaugurates the Guwahati Akshaya Patra kitchen facility.

Beneficiaries covered - 12,03,551



The more we are, the more we can do.



Akshaya Patra is a multi-stakeholder programme. Each hot meal is made possible through partnerships with the Union and State governments, donors - individual and corporate - teachers, volunteers, employees, local community, parents and children. Without the constant, daily support of each of these partners, this programme would not be possible. We place on record our gratitude to each of you. And the gratitude of each of these 1.2 million children who, with this programme, will dream of a better tomorrow. The equation is simple. The more that come forward to join hands with us, the more children we can feed and educate.



Government Support

Government of India

Government of Karnataka

- Bruhat Bengaluru Mahanagara Palike

Government of Uttar Pradesh

Government of Rajasthan

- Jaipur Nagar Nigam

Government of Orissa

Government of Gujarat

Government of Chhattisgarh

Government of Andhra Pradesh

Government of Assam

Trusts & Foundations

ABB India Foundation

Charities Aid Foundation, US

Elcia Trust

Global Giving, US

Global Impact

ISKCON - Bangalore

Kantilal Jaikishandas Choksi Charitable Trust

Kusuma Foundation

LIC Golden Jubilee Foundation

Nandlal Mohanlal Jairani Kapur Charitable Trust

Pannalal Agarwal Charitable Trust

Shrimaan Harnaamdas Kapoor Trust

The Maitri Trust

TOSA Foundation

Yachana Foundation

Corporates

A R Stanchem Pvt Ltd
A R Sulphonates Pvt Ltd
A U Financiers (India) Pvt Ltd
ABB Ltd
Agio Paper & Industries Ltd
Andhra Polymers Pvt Ltd
Arvind Construction Company Pvt Ltd
Aspire Trading Pvt Ltd
Auma India Pvt Ltd
Aurobindo Pharma Ltd.
Bonai Industrial Company Ltd
Centum Electronics Ltd
Century Communication Ltd
Cisco Systems and Group
Corundum Hong Kong Ltd
D S Graha Nirman Pvt Ltd
Enam Securities Pvt Ltd
Environmental Creation Pvt Ltd
GKC Projects Ltd
Hartex Rubber Pvt Ltd
HDFC Asset Management Company Ltd
Housing Development Finance Corporation Ltd
India Carbon Ltd
Infinity Infotech Parks Ltd
Janpad Textiles Pvt Ltd
JSW Steels Ltd
Larsen & Toubro Ltd
Manaksia Ltd
Murlidhar Ratanlal Exports Ltd
Nandil Entertainers Pvt Ltd
OnMobile Global Ltd
Poddar Pigments Ltd
Praxair India Pvt Ltd
Prestige Estates Projects Pvt Ltd
R B S Realtors Pvt Ltd
Rajaram Maize Products Pvt Ltd
Ranchi Entertainment Pvt Ltd
Sai Sulphonates Pvt Ltd
Sai Surfactants Pvt Ltd
Sandur Manganese & Iron Ore Ltd
Scintillating Jewellery
Sequoia Capital India Advisors Pvt Ltd
Siddharth Colorchem Ltd
Starleigh UK Ltd
Techno Electric and Engineering Company Ltd
Transport Corporation of India Ltd
Vishva Vishal Engineering Ltd
Voltamp Transformers Ltd

PSUs

Andhra Bank
Bank Of Baroda
Bharat Electronics Ltd
GAIL (India) Limited
Gujarat Alkalies & Chemicals Ltd
Gujarat Industries Power Company Ltd
Gujarat State Fertilizers & Chemicals Ltd
Gujarat State Petroleum Corporation Ltd
Gujarat Tea Processors and Packers Ltd
Kalpataru Power Transmission Ltd
Mangalore Refinery and Petrochemicals Ltd
NMDC Ltd
Steel Authority Of India Ltd
State Bank Of Bikaner & Jaipur
State Bank Of India

Individuals

Balakrishnan V
Balaraj K P
Brijesh Bakhda
Central India Associates
Dhanraj Dhadda and sons
Hafeez Sorab Contractor
T V Mohandas Pai
N R Narayana Murthy
R B Seth Shreeram Narsingdas
Raghunatha Rao H M
Ravikiran Mankude
Sandeep Baid
Sanjay Mehta
Sudha Murthy
Sumir Chandhra
William P Elfrink

This is not all. There are thousands of individuals and well-wishers who contribute every day to make this one hot meal happen. They have our gratitude and that of the millions they reach.

Donors, beneficiaries, volunteers; the different faces of Akshaya Patra.



Monica Sadhu, is one of Akshaya Patra's most enthusiastic volunteers in India. After hearing about the Foundation at a music concert she was inspired to volunteer and visited the schools, learnt more about our work. She tried to make a difference. Monica was in 8th Standard when she began volunteering for Akshaya Patra. "The children inspired me." she says.

She began very simply, one step at a time. "In the initial stages, I focused primarily on spreading awareness. I told everyone all I knew about the organization." As she grew up, she realized she wanted to do more. "I had to do much more to make a significant difference to Akshaya Patra and the children it feeds every day." She asked her friends to involve their schools and increased her efforts in the community. Monica has spent close to two years volunteering for the organization and is as enthusiastic as ever.

Endorsements

"Akshaya Patra is one of the most amazing programmes I have ever seen. It's mind boggling to look at the scale, efficiency and the quality of the meals, in terms of nutrients, calorific value etc. It is upto international standards. To provide a meal to one million children everyday is amazing! I have seen many programmes serving mid-day meals across the country, but Akshaya Patra takes your breath away!"

O P Bhatt, Chairman, State Bank Group

"Akshaya Patra is doing a commendable service to the society. I hope that it will spread through the length and breadth of the country."

Pratap Singh, Additional Commissioner
Income Tax, Government of India

"My long-awaited visit to the center materialised today. My first reaction is that I should have come much earlier. Yet it is necessary that we extend all help to the institution to make it effective. I wish they start many more centers in Gujarat."

D Rajagopalan
Chief Secretary, Gujarat

"A commendable effort to serve hot, cooked meals to the rural children of Mathura and Agra districts. Keep it up. I wish you all success in your endeavour."

Anant Kumar Singh, Joint Secretary
Ministry of Human Resource Development

"Healthy and educated children ensure strong foundation for the nation and promise a progressive future for our country. To ensure that every child gets a proper nutritious meal while they study, GACL along with other corporates like GSFC and GIPCL joined hands with Akshaya Patra Foundation for this noble purpose. As a responsible corporate, GACL has always believed in empowering society and ensuring development in the surroundings. The Akshaya Patra Foundation has carried out this job in the best possible manner and brought about significant qualitative improvement in the Mid-day Meal in Vadodara city and its surroundings."

Guruprasad Mohapatra, Managing Director, GACL

A spirited, young girl.

Despite all odds, Pushpa Latha M joined the Government High School at Kethmarnahalli, near Rajajinagar, in the 8th standard. At that time, her father, a tailor and mother, a domestic help, earned meagre salaries. Struggling to make ends meet, they placed education very low among their priorities.

"I had a strong faith that education was the only cure for my problems," says Pushpa. On some occasions, the school lunch she received between classes was her only meal of the day. But sheer grit and determination drove her and in the tenth standard examinations, she scored 80%.

Akshaya Patra works with promising students such as Pushpa to encourage them further in their studies. She was given a scholarship by the Foundation to continue her education in printing technology. Having almost completed her course, Pushpa has already secured a job at a printing firm. She is waiting to join them after her internship and adds, "I can give my brother a better education than myself and support my parents financially, even help them run the family."

Our youngest donor.

Six-year-old Anuja Master Bose* became the youngest donor of Akshaya Patra. The bright little girl from Boston, won a painting competition on traffic safety rules and regulations. Receiving \$50 as the prize money for winning first place, she visited our kitchen in Hubli and donated it to feed one child for a year. Seeing our operations, she decided to go back and raise more funds from other children to support underprivileged children in India.

**Name changed*

Akshaya Patra in the news.

ISKCON BANGALORE EXTENDED THE MID-DAY MEAL PROGRAMME TO ORISSA IN 2006 MARCH

Akshaya Patra, a hit in Orissa

Rashmi Balar, Bangalore
The mid-day meal programme, started by ISKCON in Orissa in association with the government of that state, has decreased the number of school dropouts.

ISKCON Bangalore had extended the Akshaya Patra Programme to Orissa in 2006 March. The programme started with 1,000 students from different government schools and now the number has reached nearly 50,000.

Mousa Singh, secretary of the department of non-aid child welfare, has appreciated the initiative. "Akshaya Patra Programme has helped increase the students' interest in school and has helped with

Rohith Seth, Student
The food is very tasty. We are happy because there is no restriction on the quantity of food and we can eat it to our tummy full."

THE MID-DAY MEAL PROGRAMME...

Akshaya Patra is serving rice, dalma, matar channa, aloo channa, curries, khmer on regular days and pulao on Saturdays.

The programme was started with 1,000 students from different government schools and now the number has reached nearly 50,000.



FOOD FOR THOUGHT The programme has attracted more children to join school and helped decrease the number of dropouts

মিড-ডে মিল বিলোবে 'অক্ষয় পাত্র'

বাংলাদেশ সরকার কর্তৃক পরিচালিত একটি গুরুত্বপূর্ণ কর্মসূচি। এই কর্মসূচির অধীনে বাংলাদেশ সরকার কর্তৃক পরিচালিত একটি গুরুত্বপূর্ণ কর্মসূচি। এই কর্মসূচির অধীনে বাংলাদেশ সরকার কর্তৃক পরিচালিত একটি গুরুত্বপূর্ণ কর্মসূচি।

Nobody goes hungry

Akshaya Patra's Story Is Truly Inspirational

Deepa Bhasini | New

Bangalore: When Iskcon sent an email to donors abroad, seeking help for their successful Akshaya Patra programme with daily food for many children the scheme was well received. The project, which started with five schools nine years ago, has today become a Harvard Business School study, received appreciation from US President Barack Obama, and is going the corporate way with business transformation exercises.

A VISIT TO FOOD FACTORY

In the dead of the night, a group of 250 people walks into a factory and begin a process that will take them many hours of hard labour: cleaning, sanitising, lifting heavy things, mixing, pouring, transporting... Cooking here is nothing short of industrial work. At the Vastu Vastu Akshaya Patra kitchen in Bangalore, the process of cooking for over 1 lakh children and other beneficiaries begins by 1 a.m. Preparations start much earlier.

The process of cooking in the gravity flow kitchen works like a business flow chart in its own right. The silos full of tons of rice and dal are on the top floor. Rice which has been milled and boiled, is cleaned in the hoppers. It flows down to the pre-production level where it is washed and then to the next floor where production takes place. The rice falls down into boxes for packing in the next level.

There are silos for corporation rice and government rice. In the next floor, the vegetables are washed and a conveyor system, from boiling the rice to mixing vegetables in the sambar. A sambar channel flows the curry into boxes. The seasoning pan alone is large enough to make food for a small party.

There are 25 vehicles that transport the food over a 60-km radius. The tracking system is akin to Mumbai's famous double-decker—the staff can track every batch, every tin of food that is produced. After the food is sent, the staff does not rest too long. Soon, the empty vessels will come in. Cleaning has to be done, cutting... the process starts again. **na**

Menu for schools

- 1 day of the week: Rice, sambar with vegetables, fresh curries
 - 1 day of the week: Special rice, gajra, a sweet
 - 1 day of the week: Special rice, sweet
- DAILY REQUIREMENTS (AVERAGE)**
- 7 tons of government rice
 - 1.5 tons of corporation rice
 - 1.5 tons of vegetables

Akshaya Patra's Story Is Truly Inspirational

Deepa Bhasini | New
Bangalore: When Iskcon sent an email to donors abroad, seeking help for their successful Akshaya Patra programme with daily food for many children the scheme was well received.

Akshaya Patra charts kitchen expansion and business transformation plans

Nandini Vija, Bangalore
The Akshaya Patra Foundation (APF), the non-governmental organisation which runs the mid-day meal scheme, plans to increase its number of kitchens to 10 from the present 16 as part of an major infrastructure expansion plan. This also includes installation of ERP by 2010 besides expanding its computer quality control process to cover all its kitchen units.

To kick-start the expansion process, the Foundation has now adopted a Business Transformation (BT) strategy in its 16 kitchens. A team of experts will put systems in place in the next 18 months.

The Foundation runs 18 kitchens, of which 12 are centralised and three are satellite kitchens. The centralised kitchens have a capacity to prepare up to 1 lakh meals a day and are open to 16,900 children on an average period of up to 10 months. Backed with a capacity of 50,000 meals a day, the

Akshaya Patra wins award

THE VESSEL OF BOUNTY

By Niloy D'Souza

APF has received recognition from the governments of Kerala, Gujarat and Karnataka for its work in the field of social service. The award was presented to the Foundation by the governments of Kerala, Gujarat and Karnataka. The award was presented to the Foundation by the governments of Kerala, Gujarat and Karnataka.

Akshaya Patra is a Tech Laureate

A GOOD TURN
Tech Laureates are global innovators recognised for applying technology to benefit humanity

Akshaya Patra, the world's largest NGO run midday meal programme, has been named among The Tech Laureates 2009.

The Tech Laureates are 15 global innovators recognised each year for applying technology to benefit humanity. Established in 2008, these awards choose laureates in five universal categories: education, equality, environment, economic development and health. Akshaya Patra has been chosen in the education category.

Madhu Pandit Das, chairperson of the Akshaya Patra Foundation, attributed the award to the entire team including cooks, helpers, drivers, cleaners, supervisors, security personnel, managers, accountants, clerks, food rations, ISKCON missionaries, trustees and donors.

"We are humbled by this honour. It is the whole team that makes preparing and reaching of meals happen every day to a million children in the country," he said.

The Akshaya Patra provides midday meals to over 5,00 government schools over seven states of India.

Peter Pridem, president of The Tech Laureates, said the award recognises the innovative and pioneering work of Akshaya Patra. He said the award is a testament to the team's hard work and dedication.

short STORIES

Akshaya Patra covers V'dara kids

Sumati Yengkhom | New
"Hunger never saw bad bread," wrote Benjamin Franklin in "Poor Richard's Almanac." But why should hunger see bad bread? Don't the hungry deserve the dignity of a clean, healthy, fresh and wholesome meal? Well, the National Programme of Nutritional Support to Primary Education (commonly known as the Mid-Day Meal Scheme) was launched as a Centrally Sponsored Scheme in collaboration with state governments in the mid-nineties and became almost universal in most states by 2006. Its objective was to boost 'universalisation of primary education' in order to increase enrolment, retention and attendance and simultaneously impact on nutrition of students in primary classes. The scheme proposed to provide hot, cooked and nutritious balanced meals to these children.

A foundation official making the announcement

The Akshaya Patra Foundation, the world's largest NGO-run school meal programme, has announced that the trust has been feeding 1,30,000 children of 524 government schools in Gandhinagar and Ahmedabad through its Gandhinagar kitchen. The project started its operations in the state in June 2007. The foundation extended its operations to Vadodra on November 5, 2009 by feeding over 40,000 children of 110 schools. The foundation has made optimum use of technology to develop state-of-the-art kitchens in its centres. The Gandhinagar kitchen is a centralised automated

Nourishment at midday

The Government Has Made A Stellar Effort To Serve Up Hygienic & Nutritionally Balanced Meals To Schoolchildren

Sumati Yengkhom | New
In hygienic, heat-treated stainless steel tins, the food is served to the schools in vans. It is served to the schools in vans. It is served to the schools in vans. It is served to the schools in vans.

Iskcon's 2010 vision aims to feed five million schoolchildren across the country

DNA INTERVIEW
We have plans to extend the mid-day meal scheme to over two million children. Congress party general secretary Rahul Gandhi is keen on expanding it in Uttar Pradesh.

Akshaya Patra will reach out to Gandhis' turf

Madhu Pandit Das
President, Iskcon, Bangalore
No dream is ever too small or too big. Once we reach the two-million target, our next milestone will be reaching out to five million children by 2020. We hope India will also march along with us in our efforts to feed these children, our future hope, with nutritious food."

Have you any immediate plans to expand Akshaya Patra which has universal praver?

The scheme covers over five lakh school children in Karnataka. The next biggest beneficiary is Rajasthan where about two lakh students are fed. The scheme is running well in Gujarat. Akshaya Patra is also planning to build Krishna Leela Theme Park, a cultural icon, based on our epic, Ramayana, Mahabharata, and Bhagavad Gita.

Nobody goes hungry

The Akshaya Patra Foundation, the world's largest NGO-run school meal programme, has announced that the trust has been feeding 1,30,000 children of 524 government schools in Gandhinagar and Ahmedabad through its Gandhinagar kitchen. The project started its operations in the state in June 2007. The foundation extended its operations to Vadodra on November 5, 2009 by feeding over 40,000 children of 110 schools. The foundation has made optimum use of technology to develop state-of-the-art kitchens in its centres. The Gandhinagar kitchen is a centralised automated

Trustee report

2009 - 2010



Your Foundation's Trustees are pleased to present the Annual Report of the 10th year of the Foundation along with the audited accounts under Indian GAAP and IFRS for the financial year ended 31st March 2010.

Financial performance

Extract of Income & Expenditure Account	For the year ended 31st March 2010		For the year ended 31st March 2009		Fiscal 2010 Vs. 2009 %'ge Increase/ (Decrease)
	Rs. (In lakhs)	%'ge of Revenues	Rs. (In lakhs)	%'ge of Revenues	
Income from:					
Donations	3,800.57	42.58	3,086.01	42.66	23.15
Subsidies	4,346.70	48.69	3,451.80	47.72	25.93
Others	779.39	8.73	696.21	9.62	11.95
Total Income	8,926.66	100.00	7,234.02	100.00	23.40
Expenditure towards:					
Cost of food	4,977.45	55.76	3,860.55	53.37	28.93
Distribution cost	1,041.95	11.67	727.20	10.05	43.28
Administration & other costs	1,660.80	18.60	1,404.26	19.41	18.27
Total Expenditure	7,680.20	86.03	5,992.01	82.83	28.17
Operating Results	1,246.46	13.97	1,242.01	17.17	0.36
Depreciation	1,201.64	13.46	1,015.37	14.04	18.34
Net Operating Results	44.82	0.51	226.64	3.13	(80.22)
Extract of Receipt & Payments Account	For the year ended 31st March 2010		For the year ended 31st March 2009		Fiscal 2010 Vs. 2009
	Rs. (In lakhs)	%'ge of Inflows	Rs. (In lakhs)	%'ge of Inflows	%'ge Increase/ (Decrease)
Opening Balance	1,177.58		598.19		96.86
Receipts from:					
Donations	5,628.67	57.22	4,082.03	54.15	37.89
Subsidies	3,293.71	33.48	2,948.70	39.11	11.70
Others	914.34	9.30	507.87	6.74	80.03
Total Receipts (A)	9,836.72	100.00	7,538.60	100.00	30.48
Payments towards:					
Revenue					
Expenditure	6,712.46	68.24	5,284.58	70.10	27.02
Capital Expenditure	1,601.39	16.28	1,203.12	15.96	33.10
Others	131.19	1.33	471.50	6.25	(72.18)
Total Payments (B)	8,445.04	85.85	6,959.20	92.31	21.35
Excess of Receipts over Payments (A-B)	1,391.68	14.15	579.40	7.69	
Closing Balance	2,569.26		1,177.59		118.18

Revenues

We have received revenues in excess of Rs 100 crores during the Financial Year 2009-10. This is a significant milestone reached for the first time in the history of your Foundation. It indicates a high level of Stakeholder's confidence in your Foundation.

(Rs. In lakhs)

Particulars	2009-10	2008-09	Incremental Revenue
Donations received	5,699.05	4,169.58	1,529.48
Grants and subsidy received from Government	4,346.70	3,451.80	894.90
Other Income	88.64	82.02	6.63
Income from Other Programmes	690.74	614.20	76.55
Total	10,825.15	8,317.58	2,507.56

Table 1 Analysis of Growth in Revenue

The overall growth in revenue by Rs 2,507.56 lakh indicates a Y-o-Y growth of 30.14%. This growth can be explained by the following:

Donations received:

The Foundation has received incremental contributions of Rs 1,529.48 lakh, amounting to 36.68%, in the 2009-10 as compared to Rs 4,169.58 lakh in 2008-09.

(Rs. In lakhs)

Donation by purpose	2009-10	2008-09	Incremental donation
Donation towards Fixed Assets	377.05	295.43	81.63
Donation towards Trust Funds	1,077.53	837.63	239.91
Donation for MDM and others	4,244.47	3,036.53	1,207.94
Total donation	5,699.06	4,169.59	1,529.47

Table 2 Analysis of donation by purpose

The substantial increase in the donations for mid-day meal (MDM) and other programmes has come about owing to increased participation by individual donors. While the institutional donors prefer to give for major projects, it is individual donors and philanthropists who help us in reaching out to more children. We are grateful to them for their generosity and acknowledge the help of every donor, be it the corporate sector, trusts and foundations or individuals.

(Rs. In lakhs)

Donation by Country	2009-10	2008-09	Incremental donation
India	4,167.11	3,494.14	672.97
USA	958.46	634.14	324.32
UK	532.70	0.88	531.82
Others	40.79	40.43	0.36
Total donation	5,699.06	4,169.59	1,529.47

Table 3 Analysis of Donation by country

The healthy increase in contributions from outside India, that is, Rs. 856.14 lakh has played reasonably good role in increased contributions. During the current year, donations for new kitchen projects like Vadodara, Guwahati and Bhubaneshwar have helped us to garner more support towards our cause.

Revenues from Governments:

The contributions by the various State Governments have gone up from Rs. 3,451.80 lakh in 2008-09 to Rs. 4,346.70 lakh in 2009-10. The incremental growth of 25.93% in revenues is largely owing to the increase in number of meals by 22.62%.

(Rs. In lakhs)

State wise subsidies (Cash & Grain)	2009-10	2008-09	Incremental revenue
Karnataka	2,179.02	2,046.88	132.15
Uttar Pradesh	579.86	357.14	222.72
Rajasthan	504.34	536.36	-32.02
Orissa	339.76	183.16	156.59
Gujarat	431.41	238.15	193.26
Andhra Pradesh	164.31	74.91	89.40
Chhattisgarh	130.99	15.19	115.79
Assam	17.01	0.00	17.01
Total Subsidies (Cash & Grain)	4,346.70	3,451.80	894.90

Table 4 Analysis of Subsidies (Cash & Grains)

The contribution from the Karnataka Government has always been the highest. However, as the number of meals served in other States is on the rise, the composition is becoming more broad-based in nature. The following chart depicts the same:

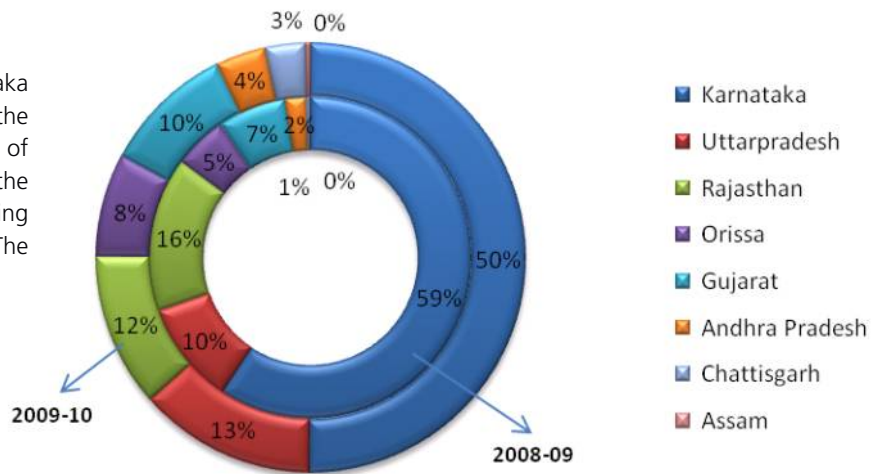


Chart 1 Composition of Subsidies

The additional incremental revenue has come about owing to an increase in subsidies announced by the Governments of Uttar Pradesh and Orissa. Though the Central Government had mandated for the implementation of increased rates in subsidies in Dec-09, only the Governments of Uttar Pradesh and Orissa gave effect to the government order (GO) within one month. The Governments of Karnataka and Chhattisgarh implemented the increase in subsidy only from Mar-10; while the other State Governments except the Gujarat Government (as on 15th Sep) implemented the revision effective from 2010-11. The following table elucidates the increase in subsidies given by the various State Governments and their respective dates of implementation.

(Amt in Rs. Per Meal)

Summary of Increase in subsidies	Previous Rates		Revised Rates		Month of Revision
	PS	UPS	PS	UPS	
Karnataka	1.80	2.20	2.50	3.75	Mar-10
Uttar Pradesh	2.50	3.00	2.50	3.75	Jan-10
Rajasthan	2.08	2.60	2.69	4.03	2010-11
Orissa	2.22	2.74	3.30	4.92	Jan-10
Gujarat	2.00	2.00	2.00	2.00	NA
Andhra Pradesh	3.00	3.00	3.54	3.96	2010-11
Chhattisgarh	3.00	3.00	3.30	4.00	2010-11
Assam	2.09	2.62	2.50	3.75	2010-11

Table 5 Summary of State wise Increase in Subsidies

PS – Primary School; UPS – Upper Primary School

Other Income:

Other income of the Foundation comprises funds generated by conducting programmes such as Akshaya Kalewa (urban poor feeding), Senior Citizens Feeding Programme, flood feeding, etc. It also includes interest income, sale of scrap, sale of packing material, etc.

Other income has increased from Rs. 82.01 lakh in 2008-09 to Rs. 88.64 lakh in 2009-10 and in case of other programme income it has increased from Rs. 614.19 lakh to Rs. 690.74, over the similar period.

Revenue Expenditure:

The total expenditure for the year 2009-10 was Rs 8,118.58 lakh as compared to Rs 6,277.85 lakh in 2008-09. The increase can be explained by the following :

(Rs in lakh)

Particulars	2009-10	2008-09	Incremental expenditure
Cost of meals	4,977.45	3,860.55	1,116.90
Distribution expenses	1,041.95	727.20	314.75
Fund raising and Communication expenses	296.64	291.37	5.26
Administration and other expenses	600.90	383.35	217.55
Total Cash Expenditure	6,916.94	5,262.48	1,654.46
Depreciation	1,201.64	1,015.37	186.27
Total Expenditure	8,118.58	6,277.85	1,840.72

Table 6 Analysis of Revenue expenditure

The cost of food has increased by 29% in 2009-10 as compared with 2008-09 with an increment of Rs. 1,116.90 lakh. Of the 29% increase in cost of food, 18% is owing to the increase in the number of meals served as compared to the last year. Additionally, the general food inflation that has been witnessed in vegetables, spices and condiments has adversely impacted our costing. However, the Foundation has been able to control the impact of inflation by adopting various control measures such as product substitution in dhals and pulses, and oils and fats and the implementation of centralized bulk procurement for select commodities.

The distribution cost has increased by 44%. The increase is mainly attributable to increase in distribution staff cost and rise in fuel prices across India. The increase in number of meals served from 10 lakh to 12.03 lakh was not commensurate with the purchase of distribution vehicles. As a result we had to hire vehicles, thereby increasing the distribution cost.

Administration and other expenses have increased by 57%. Keeping in mind the vision of the Foundation to reach five million by year 2020, the Foundation has employed professionals to manage the growth. During the year, the HR, IT, Finance and Strategy departments have been strengthened. The increase in staff cost, which is to the extent of 40% contributes to the majority of the increase in administration cost. The increase in professional and consultancy charges by 59% is owing to the audit fees incurred during 2009-10 in making your Foundation IFRS compliant and also due to an increase in branch audit fees.

However, as a result of active monitoring, the administration and communication & fund raising costs have been retained at 7.40% and 3.65% of the total cost respectively. This in turn would mean that 89% of the total cost is spent on feeding a child and the rest is spent towards administration and communication & fund raising activities. The following graph illustrates the five year trend in the administration and communication & fund raising costs.

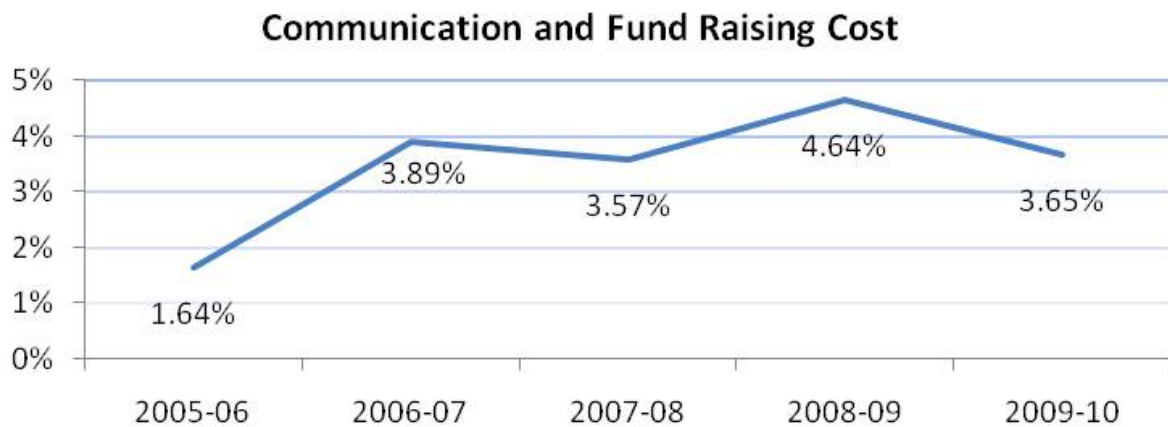


Chart 2: Trend in Communication and Fund Raising Cost

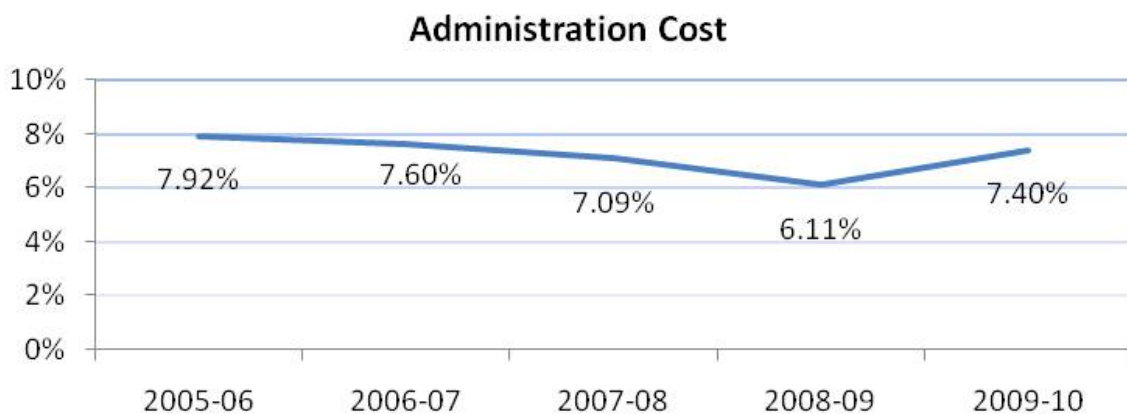


Chart 3 Trend in Administration cost

Capital Expenditure:

The Foundation has expanded to two new locations during the year. The temporary kitchen facility at Vadodara had begun in Nov-09 and the investment in the permanent kitchen is ongoing and is expected to get completed in the year 2010-11. The entire kitchen is being funded by the donor consortium of M/s Gujarat Alkalies and Chemicals Limited, M/s Gujarat State Fertilizers & Chemicals Limited and M/s Gujarat Industries Power Company Limited. The expected total cost of the project is Rs. 5.54 cr. Upon completion, the kitchen would have capacity to feed 130,000 children a day.

The kitchen facility at Guwahati became operational from Feb-10 and was inaugurated by the Governor of Assam, His Excellency Shri J B Patnaik. The kitchen is rice-based and has capacity to feed 50,000 children a day. This project has been funded largely by M/s Transport Corporation of India Ltd and M/s Aspire Trading (P) Limited.

The Foundation also expanded its kitchen facility at Gandhinagar and is in the process of completing the permanent kitchen complex at Vrindavan. Apart from these, during the year we have replaced 57 hired vehicles with owned vehicles.

The kitchen projects at Guwahati and Vadodara (temporary) which came up in a record time of three and two months respectively, show the considerable operational skills the Foundation possesses and that the technology is easily deployable even in tough terrains.

Our kitchens are national assets which can be of help in any kind of relief and rescue operations. This was amply demonstrated during the recent floods in North Karnataka and Orissa, where the Foundation was actively involved in providing relief through timely meals.

Cash and Bank Balances:

Your Foundation enjoyed total Cash and Bank balances of more than Rs. 25 crores as at 31st March 2010. This denotes an increase of over 181% over the balances as at 31st March 2009. This healthy position is due to a large chunk of the receivables being cleared by the State Governments in March 2010. A significant portion (37.27%) of the donations raised during the year materialized in Feb-Mar months. Of the total balances, Rs. 16.71 crores was placed in Fixed Deposits and Rs. 8.89 crores in Savings Bank accounts of the Foundation as at 31st March 2010. Reasonable care was taken to continuously monitor the balances in the Savings Bank accounts and move the excess balances into Fixed

Deposits:

During the year, your Foundation has improved the interest earning capacity of all the accounts maintained with the principal bankers, M/s Axis Bank Limited, by enabling the Encash 24 scheme of the bank on a pan-India basis. This along with other efforts of the Foundation have

ensured minimum idle balances with the Foundation and also earned an interest income of Rs. 64.37 lakh in the current year denoting an increase of over 43% in the interest income as compared to 2008-09.

Reference is drawn to Schedule U (Clause vi) of the Financial Statements about the earmarked funds of the Foundation. This consists of funds contributed by donors to the upcoming projects of the Foundation and expansion of the existing facilities in the Foundation which are in various stages of completion. The funds so received are earmarked for the projects and are parked in separate Fixed Deposits which cannot be used for any purpose other than those intended by the donors. The total of such earmarked funds amounts to Rs. 4.74 Crores as at 31st March 2010 and the remaining is meant for the programmes of the Foundation.

Receivables:

The total receivables of the Foundation as at 31st March 2010 were Rs. 8.24 crores. This depicts an increase of 39.07% over the receivables as at 31st March 2009. The corresponding increase in the income received from the Government and Government Bodies is 25.92% based on the Y-on-Y numbers. The average age of Government receivables is about two months. Nearly Rs. 4.06 crores or 49.35% of the total receivables pertains to the March'10 claim. Your Foundation also has a reasonably good mechanism in place in almost all the centers to ensure a regular and timely follow-up with the Government authorities to ensure that the amounts are released on time.

Management Discussion and Analysis:

Management discussion and analysis report analyzing the current circumstances and assessing the future plans of the organization are presented in a separate section of the Annual Report.

Awards and Accolades:

During the year the Foundation received recognition from various quarters. These have been covered in a separate section of the Annual Report.

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 organizational value systems have received due recognition in the reporting year through the ICAI Award for "Excellence in Financial Reporting".

Your Foundation has been at the forefront in terms of adapting to newer standards of accounting and financial

reporting. There are two reasons why we went for IFRS, one is to ensure we accept better standards of accounting and second, to improve transparency. We are fortunate to enjoy the support of committed individuals who work as full time volunteers at various managerial and fund raising positions to complement the efforts of these individuals, we felt we should have a transparent reporting mechanism. Improving the accounting and reporting systems are both an internal need and an external requirement.

In this scenario, compliance with IFRS was the next logical step. We approached KPMG who agreed to help your Foundation in achieving compliance and conformity to IFRS.

Fair Value accounting is at the heart of compliance with the IFRS, through which we have valued free services such as grains/ rent free / highly subsidized sites for kitchens to ensure a level playing field for all units. However, valuation of the same is not possible under the existent Indian accounting standards.

Auditors and Auditors' Report:

Each branch of the Foundation has a branch auditor who reports to the Management on a periodic basis. These reports are in turn reviewed by the Audit Committee through the audit department of the Foundation.

M/s B S R & Co, Chartered Accountants, (Registration No. : 101248W), are the Statutory Auditors of the Foundation and they have audited the financial statements that have been attached to the Annual Report. They have expressed an unqualified report which does not call for any further comments.

M/s KPMG are the Independent Auditors of the Foundation for the financial statements prepared under IFRS. They have audited the said financial statements and expressed an unqualified report which does not call for any further comments.

Trust Governance:

Governance Philosophy

Trust governance refers to a set of laws, regulations and good practices that enable a Foundation to perform efficiently and ethically and create value for all its stakeholders.

We, at The Akshaya Patra Foundation, are committed to the adoption of best governance practices and its adherence in the true spirit, at all times. It is our firm belief that as we move closer towards our set aspirations of becoming a world class NGO, we also adhere to the highest standards of governance.

Our governance practices are self-driven, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in our strategic growth process.

Our governance philosophy rests on four basic tenets:

- Board accountability to the Foundation and stakeholders
- Equitable treatment to all stakeholders
- Strategic guidance and effective monitoring by the Board
- Transparency and timely disclosure

In line with this philosophy, Akshaya Patra Foundation continuously strives for excellence through adoption of best governance practices, the details of which for the year ended 31st March, 2010 are as follows:

BOARD OF TRUSTEES

(A) Composition of Board

Your Foundation's Board presently comprises of eight Trustees, each of who has considerable experience in their respective fields.

Name Of Trustee	No. of Board Meetings	
	Held	Attended
Sri Madhu Pandit Dasa	4	4
Sri Chanchalapathi Dasa	4	4
Sri Chitranga Chaitanya Dasa	4	4
Sri T.V. Mohandas Pai	4	4
Sri Abhay Jain	4	4
Sri Ramdas Kamath	4	3
Sri V. Balakrishnan	4	2
Sri Raj Kondur	4	4

Table 7 Board meeting details

(B) Profile of the Board Members

Madhu Pandit Dasa

Madhu Pandit Dasa (legal name Madhusudan S) was born in 1956 in Trivandrum, India. He completed his B.Tech in Civil Engineering from IIT-Mumbai in the year 1980. While he was doing M.Tech in IIT-Mumbai in 1981, he dedicated himself to the service of humanity by becoming a full-time member of ISKCON.

In 1994, he initiated an integrated social development project for the benefit of the rural people of Mysore and Mandya districts. A model, prototype organic farm based on natural and earth-friendly farming methods along with an internationally accredited farmer-training center has been setup in the 110-acre land on the banks of river cauvery in Srirangapatna.

He designed the first centralised and mechanised kitchen to cook for 30,000 children in the year 2000. He presently serves as the Chairman of the Akshaya Patra Foundation.

Chanchalapathi Dasa

Chanchalapathi Dasa (legal name S Chandrashekar), was born in 1963 in Bangalore, India. While an undergraduate

student in PSG College of Technology, Coimbatore, he became interested in the message and mission of Srila Prabhupada, the founder-*acharya* of ISKCON. Later he joined the Indian Institute of Science, Bangalore for the Masters programme in Electrical Communication Engineering. In 1984 he became a full-time dedicated member of ISKCON, Bangalore and soon became the Vice President. He has been involved in the implementation of various programmes of ISKCON - Bangalore and presently serves as the Vice Chairman of The Akshaya Patra Foundation.

Chitranga Chaitanya Dasa

Chitranga Chaitanya Dasa (legal name V V Chandrasekharan), was born in 1965 in Ernakulam, India. He came in touch with the books of Srila Prabhupada, the founder-*acharya* of ISKCON, while studying for B. Tech at the College of Engineering, Trivandrum. He later worked briefly in a chemical industry in Mumbai as a Design Engineer. In 1988 he became a full-time dedicated member of ISKCON at Mumbai. He served in ISKCON of Mayapur and Coimbatore till 1993 and moved over to ISKCON-Bangalore. After the inception of The Akshaya Patra Foundation, he became involved as the Programme Director, bringing in his experience of catering and fund-raising to the mid-day meal programme.

T V Mohandas Pai

T. V. Mohandas Pai is currently Director, Human Resources at Infosys Technologies, and also heads the Infosys Leadership Institute. He also chairs the BPO arm of Infosys and serves as a Director on the Boards of Infosys China and Infosys Public Services, Inc. Mr. Pai joined Infosys in 1994 and served as the Chief Financial Officer from 1994 to 2006. Mr. Pai serves as a member of several committees constituted by the Government of India, the Reserve Bank of India and the Securities and Exchange Board of India (SEBI), and serves on the Board of SEBI. He is also a Trustee of the International Accounting Standards Committee Foundation, the body that oversees the International Accounting Standards Board. Mr. Pai also works with the Central and State governments of India in the field of Education, IT and Business.

Mr. Pai has won the Best CFO in India award from Finance Asia in 2002 and was named as Best Chief Financial Officer in India in the Best Managed Companies poll conducted by Asia Money in 2004.

Mr. Pai received a B.Com. from St. Joseph's College of Commerce, Bangalore and a L.L.B. from Bangalore University. He is a Fellow Chartered Accountant (FCA) from ICAI.

Mr Pai has been serving as a trustee of the Akshaya Patra Foundation since its founding days. He is also a donor apart from being a strategic visionary of the Foundation.

V Balakrishnan

With over 22 years of experience in leadership positions in the finance domain, he now plays the role of Senior Vice President, and Group CFO of Infosys Technologies. His areas of responsibilities include Corporate Finance, International Taxation, Risk Management and Mergers & Acquisitions for the whole group.

Balakrishnan was conferred the CNBC TV 18 Best performing CFO award for IT and ITES sector for 2008 and 2009. He was voted the Best CFO by Finance Asia in its Asia's Best Companies Poll for 2008 and 2009. He won the Best CFO (Information Technology, Media, Communication and Entertainment) award from the ICAI (The Institute of Chartered Accountants of India) in 2008.

He holds a B.Sc. degree from the University of Madras and is also an Associate Member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost & Works Accountants of India.

He joined the Akshaya Patra Board of Trustees in June 2006. He presently also serves as the Chairman of the Akshaya Patra Audit Committee.

Ramdas U Kamath

Ramadas Kamath, Senior Vice President, Administration, Commercial facilities, Infrastructure and Security, Infosys Technologies, plays a vital role in the management of Infosys facilities and administration worldwide. From managing the company's infrastructural growth to ensuring physical security across campuses, he has been instrumental in ensuring that Infosys' growth as a global IT leader has been reflected across the locations and facilities from which it operates. Ramdas Kamath has been serving as a trustee of the Foundation since its founding days. He presently also serves as a member of the Akshaya Patra Audit Committee.

Abhay Jain

Born in 1959 in Rajasthan, India, Abhay Jain completed his graduation in science from St. Joseph's College and his Bachelor of Law from the Bangalore University. He then went on to do his PG Diploma in Management. He is one of the largest distributors for polymers in South India. He is on the Board of Governors of the prestigious Indian Institute of Management, Bangalore (IIMB) and the Maliviya National Institute of Technology, Jaipur. He has also served as the Vice President in the Birla Group of Companies. Presently, he is the Board Member and Head-Group Corporate Affairs of Manipal Education and Medical Group.

He has been serving as a trustee of the Foundation since its founding days. He brings in his important strength of networking to the service of the Foundation.

Raj Kondur

Raj Kondur is a Harvard graduate and was a management consultant with Morgan Stanley and AT Kearney in the US. He was also a part of a seven-member team responsible for investing the USD 1 Billion Princes Gate Fund and was a member of the firm's Mergers & Acquisitions Department focused on private equity firms. He was previously co-founder of Chrysalis Capital (now Chryscapital) India's first independent venture capital fund that raised USD 65 million the first time and a further USD 133 million the second time from the best in the business Microsoft, Stanford University, Citibank, Stanchart Bank, HSBC and Mc Kinsey. Formerly head of a BPO, Nirvana Business Solutions, he is currently Director of Ascent Capita. He has been engaged with The Akshaya Patra Foundation since April 2002 and also currently member of the Akshaya Patra Audit Committee.

(C) Other information regarding the Board

Your Foundation's Board of Trustees plays a primary role in ensuring good governance and functioning of the Foundation. The Board's role, functions, responsibility and accountability are clearly defined.

Agenda and Notes on Agenda are generally circulated to the Trustees in advance of each meeting. Where it is not practical to attach or send the relevant information as a part of agenda papers, the same are tabled at the meeting and the presentations are made to the Board. The Members of the Board have complete freedom to express their opinion and the decisions are taken after detailed discussions.

The Board meets regularly and reviews the operations of your Foundation. Additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Foundation. The members do not take any sitting fees from the Foundation.

During the year under review, the Board met four times. The details of Board Meetings held during 2009-10 are as under:

Date of Board Meeting	City	No. of Trustees Present
May 17, 2009	Bangalore	7
July 26, 2009	Bangalore	7
Jan 31, 2010	Bangalore	7
Mar 27, 2010	Bangalore	8

Table 8 Particulars of Board meetings held

II. AUDIT COMMITTEE

(A) Composition of Audit Committee

Your Foundation has an Audit Committee at the Board level, which acts as a link between the management, the statutory and branch auditors and the Board of Trustees

and oversees the financial reporting process.

The composition of the Audit Committee is as follows:

1. Sri V. Balakrishnan, Chairman
2. Sri Ramdas U Kamath, Member
3. Sri Raj Kondur, Member

Statutory Auditors, Finance Controller and certain senior key officers of Foundation are permanent invitees to the Audit Committee Meetings. The branch auditors of the Foundation are also invited to the Audit Committee Meetings on a need basis.

(B) Meetings of Audit Committee

During the year under review, the Audit Committee met twice to deliberate on various matters and the details of the composition and attendance by the Committee members are as follows:

Name of Member	Held	Attended
Sri V Balakrishnan	2	2
Sri Ramdas Kamath	2	2
Sri Raj Kondur	2	0

Table 9 Particulars of Audit Committee meetings held

Committee members do not take any sitting fees from your Foundation.

(C) Charter of Audit Committee

The Charter of Audit Committee is as follows:

1. Preface

The Audit Committee's role shall flow directly from the Board of Trustees oversight function on trust governance; which holds the Management accountable to the Board and the Board accountable to the stakeholders. Acting as a catalyst in helping the Foundation achieve its objectives, the Audit Committee's review function will include the financial reporting process, the system of internal control, the audit process and the Foundation's process for monitoring compliance with laws and regulations and the Code of Conduct. The audit committee should also ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

2. Authority

- 2.1. To investigate any activity within its charter/terms of reference.
- 2.2. To seek information from any employee or trustees
- 2.3. To obtain outside legal or other professional advice from time to time
- 2.4. To secure attendance of outsiders with relevant

expertise, if it considers necessary

2.5. To have full access to information contained in the records of the Foundation

3. Composition

3.1. The committee shall comprise of a minimum of three members all of whom should be independent trustees. All members of the Audit Committee shall be financially literate and at least one member shall have accounting or related financial management expertise.

3.2. They should be diligent, knowledgeable, dedicated, interested in the job and willing to devote a substantial amount of time and energy to the responsibilities of the committee, in addition to Board of Trustees responsibilities.

3.3. The members of the committee shall be elected by the Board of Trustees and shall continue until their successors are duly elected.

3.4. The duties and responsibilities of a member are in addition to those applicable to a member of the Board of Trustees.

3.5. In recognition of the time burden associated with the service and with a view to bring in fresh insight, the committee may consider limiting the term of the audit committee service, by automatic rotation or by other means.

3.6. One of the members shall be elected as the Chairperson, either by the full Board of Trustees or by the members themselves, by majority vote.

4. Meetings

4.1. The Committee shall meet periodically, but at least 4 times a year and not more than 4 months shall elapse between two successive meetings.

4.2. One meeting shall be held before the annual accounts and quarterly/half yearly accounts are presented to the Board.

4.3. The quorum shall be either two members or one-third of the members of the Audit Committee; whichever is higher.

4.4. The Chairman or the Vice-Chairman, The Finance Controller and a Representative of the External Auditor should be invited to be present as invitees for the meetings of the Audit Committee

4.5. The Audit Committee may invite such of the executives, branch auditors and branch operations manager as it considers appropriate, to be present at the meetings of the Committee. The Audit committee may also on occasions meet without the presence of any executive of the Foundation.

4.6. The Committee may meet separately with the Vice Chairman and the Finance Controller of the Organization at such times as are appropriate to review the financial affairs of the Foundation. The Audit Committee will meet separately with the independent auditors and branch auditors of the Organization, at such times as it deems appropriate (but not less than quarterly) to fulfill the

responsibilities of the audit committee under this charter.

4.7. Meeting agenda will be prepared and provided in advance to members, along with appropriate briefing materials.

4.8. Minutes of every meeting will be maintained.

5. Responsibilities

The Committee shall carry out the following responsibilities:

5.1. Financial Reporting Process

5.2. System of Risk Management

5.3. System of Internal Control

5.4. Branch Audit Process

5.5. External Audit of the Financial Statements

5.6. Organization's Processes for Monitoring Compliance

5.7. Special Investigations and Whistleblower Mechanism

5.8. Audit Committee Management and Reporting Responsibilities

5.9. Related Party Transactions

5.10 Others

5.1. Financial Reporting Process

5.1.1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

5.1.2. Review with Management, the external auditors, and the branch auditors the results of the audit, including any difficulties encountered.

5.1.3. Review all significant adjustments proposed by the external financial statement auditor and by the branch auditor.

5.1.4. Review all significant suggestions for improved financial reporting made by the external financial statement auditor and by the branch auditor.

5.1.5. Review with the General Counsel the status of legal matters that may have an effect on the financial statements.

5.1.6. Review the annual financial statements before submission to the Board for approval, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles. Review should be done with specific reference to:

5.1.6.1. Changes, if any, in accounting policies and practices and reasons for the same.

5.1.6.2. Major accounting entries involving estimates based on the exercise of judgment by management.

5.1.6.3. Significant adjustments made in the financial statements arising out of audit findings.

5.1.6.4. Compliance with any legal requirements relating to financial statements.

- 5.1.6.5. Disclosure of any related party transactions.
- 5.1.6.6. Qualifications in the draft audit report
- 5.1.7. Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- 5.1.8. Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing Standards.
- 5.1.9. Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- 5.1.10. Review interim financial reports with management and the external auditors before filing with regulators/publishing them, and consider whether they are complete and consistent with the information known to committee members.
- 5.1.11. Review the statement of management responsibility for and the assessment of the effectiveness of the internal control structure and procedures of the organization for financial reporting. Review the attestation on this management assertion by the financial statement auditor as part of the financial statement audit engagement.

5.2. System of Risk Management

- 5.2.1. Ensure that the Foundation has a comprehensive policy on risk management.
- 5.2.2. Consider the effectiveness of the Foundation's risk management system, including risks of information technology systems.
- 5.2.3. Consider the risks of business relationships with significant vendors and consultants.
- 5.2.4. Reviews management's reports on management's self-assessment of risks and the mitigations of these risks.
- 5.2.5. Understand the scope of branch auditor's and external auditor's review of risk management over financial reporting.
- 5.2.6. Understand the scope of branch auditor's review of risk management over all other processes, and obtain reports on significant findings and recommendations, together with management's responses.
- 5.2.7. Understand the scope of any other external auditor's or consultant's review of risk management.
- 5.2.8. Hire outside experts and consultants in risk management as necessary.

5.3. System of Internal Control

- 5.3.1. Ensure that the Foundation has a comprehensive policy on internal control and compliance.
- 5.3.2. Review periodically the policy on ethics, code of conduct and fraud policy.
- 5.3.3. Consider the effectiveness of the Foundation's internal control system, including information technology security and control.

5.3.4. Consider any internal controls required because of business relationships with significant vendors and consultants.

5.3.5. Understand the scope of branch auditor's and external auditor's review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

5.3.6. Understand the scope of branch auditor's review of internal control over all other processes, and obtain reports on significant findings and recommendations, together with management's responses.

5.3.7. Review the role of the branch auditor's involvement in the Trust governance process, including trust governance documentation and training.

5.3.8. Ensure that contracts with external service providers contain appropriate record-keeping and audit language.

5.3.9. Direct employees to cooperate with the committee's requests, or the requests of internal or external parties working for the audit committee. These parties include the internal auditors, all external auditors, consultants, investigators and any other specialists working for the audit committee.

5.4. Branch Audit Process

- 5.4.1. Assure and maintain, through the organizational structure of the organization and by other means, the independence of the branch audit process.
- 5.4.2. Ensure that branch auditors have access to all documents, information and systems in the organization.
- 5.4.3. Receive and review all branch audit reports and management letters.
- 5.4.4. Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported findings and recommendations.
- 5.4.5. Discussion with branch auditors with respect to the coverage and frequency of branch audits as per the annual audit plan, nature of significant findings and follow up thereof.
- 5.4.6. Receive periodic notices of advisory and consulting activities by branch auditors.

5.5. External Audit of the Financial Statements

- 5.5.1. Review the external auditor's proposed audit scope and approach, including coordination of audit effort with internal audit.
- 5.5.2. Review the performance of the external financial statement audit firm, and exercise final approval on the request for proposal for, and the appointment, retention or discharge of the audit firm. Obtain input from management and other parties as appropriate.
- 5.5.3. Define the services that the external financial statement auditor is allowed to perform and the services

that are prohibited.

5.5.4. Pre-approve all services to be performed by the external financial statement auditor.

5.5.5. Review the independence of the external financial statement audit firm by obtaining statements from the auditors on relationships between the audit firm and the Foundation, including any non-audit services, and discussing these relationships with the audit firm. Obtain from management a listing of all services provided by the external audit firm. Obtain information from the Chief Audit Executive and other sources as necessary.

5.5.6. Review and approve the audited financial statements, associated management letter, attestation on the effectiveness of the internal control structure and procedures for financial reporting, other required auditor communications, and all other auditor reports and communications relating to the financial statements.

5.5.7. Review and approve all other reports and communications made by the external financial statement auditor.

5.5.8. Review the responsiveness and timeliness of management's follow-up activities pertaining to any reported findings and recommendations.

5.5.9. On a regular basis, meet separately with the external financial statement audit firm to discuss any matters that the committee or auditors believe should be discussed privately

5.5.10. Provide guidelines and mechanisms so that no member of the audit committee or organization staff shall improperly influence the auditors or the firm engaged to perform audit services.

5.5.11. Ensure production of a report of all costs of and payments to the external financial statement auditor. The listing should separately disclose the costs of the financial statement audit, other attest projects, agreed-upon-procedures and any non-audit services provided.

5.5.12. Obtain and review a report by the independent auditor describing the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm and assess the auditor's independence;

5.6. Organization's Processes for Monitoring Compliance

5.6.1. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.

5.6.2. Review the findings of any examinations by regulatory agencies, and any auditor observations, including investigations of misconduct and fraud.

5.6.3. Review the process for communicating to all affected parties the ethics policy, code of conduct and fraud policy to Foundation personnel, and for monitoring

compliance therewith.

5.6.4. Obtain regular updates from management and Foundation legal counsel regarding compliance matters.

5.6.5. Monitor changes and proposed changes in laws, regulations and rules affecting the Foundation.

5.7. Special Investigations and Whistleblower Mechanism

5.7.1. Institute and oversee special investigations as needed.

5.7.2. Provide an appropriate confidential mechanism for whistle blowers to provide information on potentially fraudulent financial reporting or breaches of internal control to the audit committee.

5.8. Audit Committee Management and Reporting Responsibilities

5.8.1. Regularly report to the Board of Trustees about all committee activities, issues, and related recommendations.

5.8.2. Perform other activities related to this charter as requested by the Board of Trustees, and report to the Board.

5.8.3. Provide an open avenue of communication between branch audit, the external financial statement auditors, other external auditors, management and the Board of Trustees.

5.8.4. Review any other reports that the organization issues that relates to audit committee responsibilities.

5.8.5. The committee charter should be published in the Annual Report once every three years and also whenever any significant amendment is made to the charter.

5.8.6. Confirm annually that all responsibilities outlined in this charter have been carried out. Report annually to the Board and beneficiaries, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.

5.8.7. Evaluate the committee's and individual member's performance on a regular basis, and report to the Board.

5.8.8. Review and assess the adequacy of the committee charter annually, requesting Board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

5.9. Related Party Transactions

5.9.1. Review and approve all related party transactions in the Foundation.

5.9.2. A statement of all transactions with related parties, including their basis shall be placed before the Committee for formal approval/ ratification with explanations where there are interested transactions.

5.9.3. Details of material individual transactions with related parties which are not in the normal course of

business or are not on an arm's length basis shall be placed before the Committee, together with the Management's responses..

5.10. Others

5.10.1. Consider and, if deemed fit; pre-approve all permitted non-auditing services to be provided by the independent auditor to the Organization. For the purpose of this clause, "non-auditing services" shall mean any professional services provided to the Organization by the independent auditor, other than those provided to the Organization in connection with an audit or a review of the financial statements of the Organization and includes (but is not limited to):

- A) Book-keeping or other services related to the accounting records of financial statements of the Organization
- B) Financial information system design and implementation
- C) Appraisal or valuation services, fairness opinions, or contribution-in-kind reports
- D) Actuarial services
- E) Internal / Branch audit outsourcing services
- F) Management functions or human resources
- G) Broker or dealer, investment advisor, or investment banking services
- H) Legal services and expert services unrelated to the audit
- I) Any other service that the Board of Trustees determines impermissible.

6. Delegation of authority

The Committee may sub-delegate any or all of its powers and authority as it thinks fit, including, without limitation the establishment of subcommittees from each party to analyze particular issues or themes and to report back to the Committee.

The committee may delegate to one or more designated members of the committee the authority to pre-approve audit and permissible non-audit services, provided such pre-approval decision is presented to the full audit committee at its scheduled meetings.

III. DISCLOSURES

(A) Basis of related party transactions

Your Foundation places all the relevant details before the Audit Committee periodically, considering the nature of the organization, as a Foundation, it has specifically identified the related parties which are trusts or societies having common trustees.

A comprehensive list of related parties and the transactions held with them forms part of the Note No. (ii) of Schedule U- Notes to accounts to the Financial Statements under Indian GAAP. These transactions are not

likely to have any conflict with the interests of the Foundation at large and have been valued at the Arms length.

Apart from these the Foundation 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 Foundation.

(B) Disclosure of Accounting Treatment

In the absence of any authoritative established accounting principles for the specialised aspects related to charitable trusts which do not carry out any commercial activity, the Foundation has prepared the financial statements in accordance to the significant accounting policies described in Note 2 to Schedule A to the Financial statements prepared under the Indian GAAP.

However the Financial statements prepared by the Foundation under the IFRS are prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) except for such modifications as have been considered appropriate to reflect the objectives of the Foundation i.e., carrying out charitable activities with effective use of resources rather than making profits and maximisation of members' wealth.

(C) Remuneration of Trustees

The Trustees of the Foundation declare that they have not received any remuneration or sitting fees from the Foundation and the total amount spent for travel and other expenses/ reimbursements which are measured and valued at arm's length are indicated in the below mentioned table.

Amount in Rs.

Trustee Name	Particulars of amount spent/ reimbursed on travel and related expenditure
Madhu Pandit Dasa	6,000
Chanchalpathi Dasa	161,347
Chitranga Chaitanya Dasa	132,407
Abhay Jain	11,322
Total	311,076

Table 10 Particulars of amount's reimbursed to trustees

Apart from this the Missionary Trustees of the Foundation, Madhu Pandit Dasa, Chanchalpathi Dasa and Chitranga Chaitanya Dasa voluntarily disclose their personal assets to the board on a periodical basis, which has been annexed to this Trustee Report.

(D) Management:

- i. The Management Discussion and Analysis Report forms part of the Annual Report.
- ii. No material transaction has been entered into by the Foundation with the Trustees or the Management, their relatives etc. that may have a potential conflict with the interest of the Foundation.

Acknowledgment

Your trustees would like to express their appreciation for the assistance and co-operation received from all the stakeholders during the year under review. Your trustees also wish to place on record their deep sense of appreciation for the committed services by the volunteers, executives and workers of the Foundation.

We continue to be inspired by the vision that has been so far outlined and discussed and we pray that we be given multiple opportunities and avenues to serve the society at large and the stakeholders in specific.

Last but not the least, we are deeply indebted and grateful to the contributions of all our donors (corporates, trusts & foundations and individuals) who have identified with our cause and without whose active contribution, we would not have been able to scale the current heights and more importantly stay on top. Your efforts are at the backbone of our operations complementing our desire to eradicate hunger thereby changing the destiny of the nation.

For and on behalf of the Board of Trustees,

Chanchalpathi Dasa
Vice Chairman and Trustee
24th Sept 2010

Management Discussion and Analysis

Management Discussion and Analysis

1. Macro-Economic Analysis

The fiscal year 2009-10 began on a grim note. The slowdown, post the economic slowdown in US, impacted the growth rate in the second half of 2008-09 across the globe. There was apprehension that this trend would persist for some time, as the full impact of the economic slowdown in the developed world worked through the system. A severely subnormal monsoon added to the overall uncertainty in India. However, the second half of the fiscal has staged a smart recovery in India in comparison to the rest of the world and has shown a healthy growth of 7.2% during the year, facilitated by policy stimulus and increased Government spending.

The major thrust came in the second quarter of 2009-10 when the economy grew by 7.9%. This growth occurred despite a decline of 0.2% in the agricultural output in the current fiscal vis-à-vis 2008-09. This broad based nature of recovery in the economic scenario augured well for the Indian economy in general and your Foundation in particular since a more robust economy would indicate a higher capacity on the part of the donors to be able to spend for charitable causes.

A major cause for concern has been the double digit food inflation index. A significant cause for this inflation is bottlenecks in the supply of some of the essential commodities. This is due largely to the 23 per cent deficit in the South-west monsoon on the Long Period Average (LPA). Rising food prices, spurred by expectations of shortfall in food production, have brought the issues of food security, food stocks management and the need for improving food production and productivity to the forefront of national strategy.

Some of the statements in this discussion describing projections, estimates, expectations or outlook may be forward looking. Actual results may however differ materially from those stated, on account of various factors such as changes in the Government regulations, tax regimes, economic policies and developments within and outside India.

Globally, owing to the slowdown in the economic scenario, the social sector was affected significantly as the mainline businesses were not performing enough to support the social sector. Despite such negatives, the continued support from the Government and our committed donors enabled The Akshaya Patra Foundation to ensure the growth envisaged for the benefit of the sector.

2. Vision, Mission and Values

At the start of the previous decade, the Foundation made a humble beginning by serving 1,500 children per day. We nursed an aspiration to reach a million children by the end of the decade. Serving hot meals prepared with intensive use of technology was a process of evolution that we

constantly worked on. We are now at a stage where we can replicate these processes with ease and continue to deliver quality meals to our target groups as desired by the Government.

With the active support of our stakeholders, volunteers and staff, we achieved the target of one million meals a day with more than a year to spare. At the beginning of this decade the Foundation recalibrated its vision and pledged to reach five million children a day by 2020. The Foundation's enshrined value systems and ethos is ensuring that the growth is targeted and always focused. The value systems are ingrained in individuals across all cadres of the Foundation and these are built on the edifice of trust, integrity and transparent relationships within and outside the operational and organizational purview with all the stakeholders. Your Foundation will continue to consolidate and strengthen its position in the social sector and continue to deliver excellence and enable better lives for children.

3. Akshaya Patra: appraising the present and the vision

The core of the Foundation's strategy is the focus on the mid-day meal and the child. The following topics further appraise the present status of the Foundation and how we can achieve what we envisioned.

3.1 Kitchen Operations

The key to the organization's success has been the robust kitchen operations, which ensure that a child will never miss a meal. Our operations are built on two premises that we cannot cook a hot meal for inventory and we need to be real time to ensure a child is never left hungry.

During the year our operations have grown by 18 % in the mid-day meal segment and 2% in the other feeding programmes. The Foundation has increased its capacity at Gandhinagar and Vrindavan kitchens and explored new territories at Vadodara and Guwahati. The Foundation's kitchen assets have been used well and have also served in times of calamity at Hubli and Bellary.

As has been discussed at length in the Trustee Report, the purchase cost of provisions and vegetables have gone up considerably and the factors have been elaborated. During the year we have also significantly used soya dhal to ensure that a child gets proper nutrients. We have also introduced chakli/namkeen (traditional home made savouries) and idlis on a large scale. We are proposing to serve additional items such as sukudu and laddus.

3.2 Quality and Process & Infrastructure

At Akshaya Patra, we believe that the meals we deliver to our beneficiaries should be of the same quality that a child from a privileged family can expect to eat. We have therefore embarked upon continuously improving our kitchens through techniques like Kaizen. This is from the understanding that in the absence of competition, we are our largest competitors and need to continuously improve on our own standards.

This year two more kitchens at Bellary and Bhilai have been certified under FSMS ISO 22000:2005, thereby bringing the total count of ISO certified kitchens to eight. We are in the process of getting three more kitchens certified under the same standards. Apart from this the Foundation has taken the lead in the implementation of third party hygiene audit which includes both planned and surprise hygiene audits.

During the year a separate team has been created to ensure breakdown free operations, drive the initiative on environment, health and safety. We have been improving our menus and technology constantly in response to feedback. We have improved upon our kitchen design structure and the permanent kitchen that is coming up at Vadodara is an example.

To achieve the Foundation's dream of serving 5 Million a day, we need to invest on evolving better technologies and processes. The Process and Infrastructure is given the mandate to streamline and enhance the existing practices, so that the time to deploy new kitchens would get shortened.

3.3 Distribution

Your Foundation has made significant progress in achieving excellence in service delivery even while supporting sustainable growth for the Foundation. In this direction, the Foundation has been recognized by prestigious institutions such as Harvard Business School.

During the year the Foundation has added 90 routes across India, to meet the increasing number of beneficiaries. Since the growth in number of meals was more than the investment on the owned vehicles we had to increase our hiring of vehicles as well. 57 distribution vehicles have been added to the asset base during the year.

3.4 Human Resources

People at Akshaya Patra are our strategic resource and the Foundation has consciously encouraged broad-based diversity among employees from rural as well as urban backgrounds. Your Foundation has been an equal opportunity employer, employing persons from various strata with a variety of skill sets to meet organizational needs.

The Foundation gives priority to building human resource, which will be known for excellence, commitment, ethics and integrity, and which is strongly aligned with the mission and vision. A strong value proposition has been put in place besides implementing some of the best HR policies, which are integrating into various dimensions as under:

Employee growth:

- Leadership programmes
- Training & Development
- Performance management system etc.

Rewards & recognition:

- Comprehensive medical insurance
- Group personal accidental insurance
- Pension scheme
- Variable pay

linked to individual performance

- Performance recognition awards

Work environment:

- Email based grievance handling system
- Employee help desk
- Exit interviews
- Assured confidentiality for whistle blowers

The objective is to ensure that the skill sets of all our employees are continuously strengthened and they enjoy a hassle free work atmosphere conducive.

The top 5 highest paid employees of the Foundation are as follows:

Sl No.	Name	Designation	Annual CTC
1	Shridhar Venkat	Executive - Director	2,467,467
2	Nagabhushana K	Head HR	1,500,000
3	Vinay N Kumar	Sr.Business Analyst	1,100,004
4	Binali Suhandani	Associate Director FR	1,080,000
5	T.S Ramaswamy	Finance Controller	970,284

Wages to the kitchen and the distribution staff of the Foundation are paid as per the prevalent Minimum Wages in the respective states or where not applicable, as per the Central Government policy in this regard. We are a labour law compliant Foundation.

3.5 Finance and Audit

Your Foundation's financial records are audited by M/s BSR & Co., Chartered Accountants, who are engaged with us on a pro-bono basis. We have a well established and comprehensive internal control structure across the value chain to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition of assets. The existent controls ensure that transactions are authorized, recorded and reported fairly and that operations are conducted in an efficient and cost effective manner.

The HO Audit division continuously monitors the effectiveness of the internal controls. The objective is to provide to the Audit Committee and the Board, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk management, control and governance processes. The division also assesses opportunities for improvement in business processes, systems and controls. It thereafter provides recommendations designed to add value to the organization and follows up on the implementation of corrective actions and improvements in business processes after review by the Audit Committee and Senior Management. Monthly/Quarterly audit reporting systems are monitored by the HO audit division. The detailed list of auditors associated with us are mentioned in the locations section of the Annual Report

Monthly accounts of all units of the Foundation are consolidated and the results of operations are reviewed by the Trustees. We also report our quarterly results on our official website (except for June quarter as it is primarily a non operating quarter).

3.6 Information Technology

In line with its vision statement of scaling to become a world class NGO delivering five million meals a day by 2020, your Foundation has begun investing in Information Technology. After assessing the current usage and the short term growth requirements, the Foundation approached Microsoft seeking software licenses. In Oct 2009, Microsoft donated Rs. 2.37 cr worth of software licenses, enabling us to modernize our basic communication systems such as exchange servers, OCS etc.

The Foundation has felt a strong need for ERP considering the growth path being charted out. This will help consolidation of growth. The Foundation is shortly expected to invest considerable resources on Information Technology and bring in enhanced controls leading to overall improvement.

3.7 Fund Raising & Donor Care

During the initial stages of our operations, your Foundation was heavily dependent on the efforts of the ISKCON missionaries and the Trustees. In the latter half of 2006-07 and during 2007-08, your Foundation has witnessed commendable growth. The existing fund raising team was not sufficiently geared to handle the exponential growth in the number of kitchens and meals to the revised expectations and their efforts alone were insufficient to keep pace with our growth.

Therefore a need was felt to have an in-house fund raising team comprising of fund raising professionals from the NGO as well as the corporate sector. The internal fund raising team is steadily contributing to the total donations raised by your Foundation. The table below provides an insight into the effort wise classification of the proportion of donation raised by each source of Fund raisers in the current fiscal juxtaposed with the figures for the year 2008-09:

Particulars	2009-10 (%)	2008-09 (%)
Donations raised by Marketing team	25.04	28.27
Donations raised by TAPF US	9.24	11.49
Donations raised by Missionaries, Trustees & Advisory Board Members	65.73	60.23
Total	100.00	100.00

Table 11 Analysis of percentage of donations raised by various sources of fund raising

As is evident from the table, our strength lies in the joint efforts of missionaries, trustees, esteemed Advisory Board members and professional fund raising team. The fund raising team is working on making the donations more predictable and scalable. It is putting together a communications plan to reach out across the globe using technology tools like mobile applications and Internet.

The Foundation pays special attention to donor care. Donor service excellence denotes putting the donor first at

every level of fund raising. We seek to build donor loyalty and develop strong donor relations through various means to reassure donors that their money is well spent. For this purpose, during the year we have adopted an industry standard software named DMS Hive!

We have a dedicated team of professionals for donor care. The salient responsibilities of this team include:

- A) Ensuring that all communications reaches the donors in time and on schedule;
- B) Keeping in touch with, and updating the donors about the various new initiatives taken by the Foundation through various channels of communication;
- C) Issuance of Tax exemption certificates u/s 35AC or 80G of the Income Tax Act, 1961 for the donations received;
- D) Handling of any other donor queries/grievances through our helpdesk.

3.8 Transformation of the Organization

In order to achieve the targeted growth of serving five million children a day, we need to grow by 17% consistently for the next ten years; in linear terms we need to add on 3.7 lakh children every year.

This necessitates stronger and more resilient processes and practices for transforming the way we are functioning. The management has plans of standardizing and redefining the processes at kitchens by adopting improved technology. The management costs in the near future are expected to go up and eventually taper off.

3.9 Opportunities and Risks

We are currently serving more than 1.2 million children per day on a pan-India basis. As per the Annual Report for 2009-10 of the National Informatics Center, more than 194 million children are covered under the Sarva Siksha Abhiyaan scheme of the Central Government. This number humbles us as we are but a small part in terms of reach of the Government programme.

The only limiting factor is our own wherewithal and the resources that we are able to garner to be able to reach out to more and more children in the country. There exists good opportunity for us to associate with the MDM in several States. In this regard, lack of resources is what is holding us back from expanding the reach of the programme.

Malnutrition, classroom hunger and school drop-outs continue to be areas of concern in India. Studies have established beyond dispute that mid-day meals address these concerns to a very large extent. It is therefore evident that this scheme needs top priority in our endeavour to proceed towards becoming a developed nation. We, as a nation, still have a long way to go but with the growing Indian economy and a growing middle class, we expect that achieving our goal of ensuring no child goes hungry will be more achievable.

Financial Statements (iGAAP and IFRS)

Auditors' 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 2010 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 2010; 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 B S R & Co.

Chartered Accountants

Registration No. : 101248W

Supreet Sachdev

Partner

Membership No. 205385

Bangalore

Date: 1 September 2010

Balance sheet

	Schedule	As at 31 March 2010	Amount in Rs. As at 31 March 2009
Sources of Funds			
Trust fund receipts	B	473,383,513	365,630,102
Deferred donation income	C	68,056,337	39,982,426
		541,439,850	405,612,528
Application of Funds			
Fixed assets			
Gross block	D	769,984,048	628,359,036
Less: Accumulated depreciation		368,678,403	249,020,369
Net block		401,305,645	379,338,667
Capital work-in-progress		50,758,107	26,239,579
		452,063,752	405,578,246
Current assets loans and advances			
Inventories	E	20,981,148	13,137,637
Cash subsidy receivables from Government	F	82,447,202	59,284,369
Cash and bank balances	G	256,926,374	117,758,232
Loans and advances	H	14,926,092	12,356,990
		375,280,816	202,537,228
Less: Current liabilities and provisions			
Current liabilities	I	284,578,134	210,250,353
Provisions	J	4,763,193	171,384
		289,341,327	210,421,737
Net current assets		85,939,489	(7,884,509)
Debit balance in income and expenditure account		3,436,609	7,918,791
		541,439,850	405,612,528

Significant accounting policies
Notes to the accounts

A (2)
U

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
Registration No. : 101248W

For The Akshaya Patra Foundation

Supreet Sachdev
Partner
Membership No. 205385
Place : Bangalore
Date : 1st Sept 2010

Madhu Pandit Dasa
Chairman
Place : Bangalore
Date : 1st Sept 2010

Ramdas U Kamath
Trustee

Income and expenditure account

Amount in Rs.

	Schedule	Year ended 31 March 2010	Year ended 31 March 2009
Income			
Income from donations	K	380,057,477	308,601,352
Grants and subsidy received from government	L	434,670,322	345,179,885
Other income	M	8,864,451	8,201,522
Other programme income	N	69,074,435	61,419,538
		892,666,685	723,402,297
Expenditure			
Cost of meals	O	563,535,264	439,057,210
Distribution expenses	P	146,554,129	115,775,776
Fund raising expenses	Q	18,389,208	18,144,311
Communication and inauguration expenses	R	11,274,404	10,993,139
Administration and other expenses	S	72,104,780	43,815,059
Other programme expenses	T	76,326,718	72,952,934
		888,184,503	700,738,429
Excess of income over expenditure		4,482,182	22,663,868
Balance in income and expenditure account brought forward		(7,918,791)	(30,582,659)
Balance carried forward to the Balance sheet		(3,436,609)	(7,918,791)

Significant accounting policies

A (2)

Notes to the accounts

U

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

As per our report attached

For B S R & Co.

For The Akshaya Patra Foundation

Chartered Accountants

Registration No. : 101248W

Supreet Sachdev

Partner

Membership No. 205385

Place : Bangalore

Date : 1st Sept 2010

Madhu Pandit Dasa

Chairman

Place : Bangalore

Date : 1st Sept 2010

Ramdas U Kamath

Trustee

Schedules to the financial statements

Schedule A

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 with Sub-Registrar, Bangalore (Rajajinagar) on 16 October 2001. The principal activity of the Trust is to implement the mid-day meal programme 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 Programme", providing subsidized meals to daily wage earners under various schemes like "Akshaya Kalewa Programme" and "Aap Ki Rasoi", providing food for babies and mothers in Anganwadis and implementing various other programmes for the relief of poor.

2. Significant accounting policies

(i) Basis of preparation of financial statements

The balance sheet and income and expenditure account are prepared under the historical cost convention and on the accrual basis of accounting. In the absence of any authoritative 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 Board of 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 being ready for their intended use.

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 life
Buildings	15 years
Kitchen and related equipment	3 years
Office and other equipment	3 years
Computer equipment	3 years
Furniture and 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 life of assets, whichever is lower.

Depreciation is charged on a proportionate basis for all assets purchased and sold during the year. Individual assets (other than distribution vessels), costing less than Rs. 5,000 are fully depreciated in the year of purchase.

(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. The cost of inventory, when received as government grants, is determined at the lower of the market price or government regulated price. The 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 the prevailing market price (i.e. fair value) on the date of receipt.

(vi) Revenue recognition

Donation received in cash or in kind, which is received for other than depreciable fixed assets, 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 as income 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.

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 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. These donations towards depreciable fixed assets being long term in nature, any deferred income is treated as source of fund and disclosed accordingly in the balance sheet of the Trust.

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

Income from other programme 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 115 BBC 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.

(x) Impairment of assets

The Trust periodically assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Trust estimates the recoverable amount of the asset. If such recoverable amount of the asset 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 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.

Compensated absences

The employees of the Trust are entitled to compensated absences. The policies of the Trust allow carry forward of certain leave days which can be utilized in the future period. Liabilities for such compensated absence are provided on full liability basis.

(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.

Schedules to the Accounts

Amount in Rs.

	As at 31 March 2010	As at 31 March 2009
Schedule B - Trust fund receipts		
Corpus donations	360,324,102	281,567,461
Add: Corpus donations received during the period	107,747,411	78,756,641
	468,071,513	360,324,102
Endowment fund	5,306,000	300,000
Addition to Endowment fund	6,000	5,006,000
	5,312,000	5,306,000
	473,383,513	365,630,102
Schedule C - Deferred donation income		
Donations related to depreciable assets		
- Donation received in cash	59,807,073	33,972,775
- Donation received in kind	8,249,264	6,009,651
	68,056,337	39,982,426

Schedules to Accounts

Schedule D - Fixed Assets

Amount in Rs.

Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 1-Apr-09	Additions	Deductions	As at 31-Mar-10	As at 1-Apr-09	Depreciation for the year	Deductions	As at 31-Mar-10	As at 31-Mar-10	As at 31-Mar-09
Freehold land	11,814,827	234,773	-	12,049,600	-	-	-	-	12,049,600	11,814,827
Buildings	251,715,972	22,718,622	-	274,434,594	32,503,498	19,042,178	-	51,545,676	222,888,918	219,212,474
Leasehold improvement	14,691,282	9,243,566	-	23,934,848	4,023,702	4,707,378	-	8,731,080	15,203,768	10,667,580
Kitchen and related equipment	157,048,243	38,852,395	6,416	195,894,222	83,141,488	46,747,621	-	129,889,109	66,005,113	73,906,755
Office and other Equipment	4,638,592	1,684,048	1,500	6,321,140	1,708,832	1,700,848	385	3,409,295	2,911,845	2,929,760
Computer equipment	4,843,540	6,317,391	40,999	11,119,932	2,875,441	1,923,782	5,786	4,793,437	6,326,495	1,968,099
Furniture and fixtures	13,149,002	1,677,189	630	14,825,561	5,773,990	3,682,902	138	9,456,754	5,368,807	7,375,012
Vehicles	110,512,912	41,848,169	499,721	151,861,360	71,020,792	28,198,134	499,721	98,719,205	53,142,155	39,492,120
Distribution vessels	59,944,666	19,598,125	-	79,542,791	47,972,626	14,161,221	-	62,133,847	17,408,944	11,972,040
Total	628,359,036	142,174,278	549,266	769,984,048	249,020,369	120,164,064	506,030	368,678,403	401,305,645	379,338,667
Previous year	451,080,668	180,308,569	3,030,201	628,359,036	150,312,355	101,537,310	2,829,296	249,020,369	379,338,667	

Amount in Rs.

Schedule E - Inventory

Provisions and groceries

- Rice and wheat
- Dhal and Pulses
- Oils and Ghee
- Others

As at 31 March 2010

As at 31 March 2009

13,584,647

8,131,609

2,182,534

2,067,730

888,267

352,401

2,814,181

1,488,631

19,469,629

12,040,371

Machinery spares

Fuel

842,056

436,987

669,463

660,279

20,981,148

13,137,637

Schedule F - Cash subsidy receivables from government and government bodies

Unsecured, considered good

- Government of Karnataka
- Government of Uttarpradesh
- Government of Rajasthan
- Government of Orissa
- Government of Gujarat
- Government of Andhra Pradesh
- Government of Chattisgarh
- Government of Assam

45,529,503

34,825,109

4,126,860

7,096,727

11,757,517

9,836,159

4,872,876

1,553,145

6,977,034

3,317,292

7,480,408

2,070,297

1,437,202

585,640

265,802

-

82,447,202

59,284,369

Schedule G - Cash and bank balances

- Cash in hand
- Balances with scheduled bank
 - in current account
 - in savings account
 - in fixed deposit [Refer note U (vi)]

314,187

323,424

620,298

237,801

88,926,011

42,350,342

167,065,878

74,846,665

256,926,374

117,758,232

Schedule H - Loans and advances

Unsecured, considered good

- Advances recoverable in cash or kind or for value to be received
- Donation receivable
- Deposits
- Interest accrued and not due
- Prepaid expenses
- Salary advances
- Advance taxes

3,642,115

3,317,782

1,710,750

-

5,552,997

4,522,506

1,708,502

1,973,616

1,383,768

1,549,200

500,465

843,287

427,495

150,599

14,926,092

12,356,990

Schedules to Accounts

Amount in Rs.

	As at 31 March 2010	As at 31 March 2009
Schedule I - Current liabilities		
Sundry creditors - capital goods	8,921,983	7,172,937
Sundry creditors - expenses	44,692,617	34,244,591
Retention money payable	5,526,638	4,985,029
Government subsidies received in advance	3,061,467	5,956,315
Government grain grants received in advance	11,851,423	7,861,446
Deferred donation received towards meals	194,620,269	140,599,518
Other liabilities		
Statutory dues payable	2,897,784	950,460
Accrued expenses	13,005,953	8,480,057
	284,578,134	210,250,353
Schedule J - Provisions		
Provision for gratuity [Refer Note U (iv) (b)]	1,599,965	171,384
Provision for leave encashment [Refer Note U (iv) (c)]	3,163,228	-
	4,763,193	171,384
Schedule K - Income from donations		
Donations in cash		
-received in India towards meals	283,992,739	256,481,159
-received in other countries towards meal	85,156,488	47,069,836
-received in India towards fixed assets	5,155,887	2,258,926
-received in other countries towards fixed assets	2,664,433	44,900
Donations in kind		
- towards fixed assets	1,811,016	761,964
- others	1,276,914	1,984,567
	380,057,477	308,601,352
Schedule L - Grants and subsidies from government and government bodies		
A. Grant of food grains from :		
Government of Karnataka	43,527,696	41,436,139
Government of Uttarpradesh	8,067,061	5,660,365
Government of Rajasthan	9,874,410	10,428,575
Government of Orissa	5,554,249	3,795,703
Government of Gujarat	7,330,130	3,528,565
Government of Andhra Pradesh	2,576,402	1,188,420
Government of Chattisgarh	1,999,143	254,111
Government of Assam	312,464	-
	79,241,555	66,291,878
B. Cash subsidies from :		
Government of Karnataka	174,374,691	163,251,549
Government of Uttarpradesh	49,918,685	30,053,779
Government of Rajasthan	40,559,954	43,207,621
Government of Orissa	28,421,420	14,520,595
Government of Gujarat	35,811,150	20,286,803
Government of Andhra Pradesh	13,854,974	6,302,544
Government of Chattisgarh	11,099,511	1,265,116
Government of Assam	1,388,382	-
	355,428,767	278,888,007
	434,670,322	345,179,885

Schedules to Accounts

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Schedule M - Other income		
Interest income	6,437,371	4,488,816
Cultural event receipts	61,000	1,007,550
Creditor write back	303,528	219,168
Profit on sale of assets	-	564,361
Miscellaneous income	2,062,552	1,921,627
	<u>8,864,451</u>	<u>8,201,522</u>
Schedule N - Other programme income		
A. From Government		
Central Prison - meals	29,392,361	26,552,541
BBMP Senior Citizens	15,721,596	12,076,290
Anganwadi Programme	13,945,815	17,141,314
Other meals programme	5,522,966	2,018,671
Akshaya Kalewa	1,074,088	1,125,266
Flood feeding	1,031,461	-
	<u>66,688,287</u>	<u>58,914,082</u>
B. From others		
Akshaya Kalewa	2,386,148	2,505,456
	<u>2,386,148</u>	<u>2,505,456</u>
	<u>69,074,435</u>	<u>61,419,538</u>
Schedule O - Cost of meals		
Provisions and groceries consumed	350,202,598	278,530,667
Fuel consumed	45,207,002	34,246,848
Depreciation	65,789,799	53,001,847
Salaries, wages and bonus	44,476,198	29,115,527
Contributions to provident fund and employees state insurance	4,753,093	3,370,679
Contract cooks	12,820,542	12,678,453
Labour welfare	1,846,668	1,830,097
Kitchen maintenance	16,550,930	13,702,059
Power and lighting	9,941,083	6,191,046
Rent	3,629,211	2,088,591
Security charges	4,815,645	2,511,594
Travel and conveyance	769,481	238,439
Insurance	151,385	134,008
Other kitchen related expenses	2,581,629	1,417,355
	<u>563,535,264</u>	<u>439,057,210</u>
Schedule P - Distribution expenses		
Contract drivers	7,117,540	4,476,576
Salaries, wages and bonus	35,261,783	20,649,533
Contributions to provident fund	3,690,671	1,577,040
Fuel charges	21,604,624	16,435,307
Depreciation	42,359,355	43,055,700
Travel and communication	1,927,180	1,472,769
Rates and taxes	613,836	434,357
Vehicle hire charges	17,269,463	11,648,371
Insurance	1,494,638	1,302,078
Vehicle maintenance	10,714,420	7,733,738
Vehicle parking charges	1,208,037	643,446
Security charges	2,087,554	3,732,186
Miscellaneous expenses	1,205,028	2,614,675
	<u>146,554,129</u>	<u>115,775,776</u>

Schedules to Accounts

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Schedule Q - Fund raising expenses		
Salaries, wages and bonus	7,047,343	8,513,478
Contributions to provident fund	347,523	248,917
Consultancy, professional charges and others	7,147,898	6,471,866
Travelling and conveyance	1,838,652	2,319,612
Courier and postage	805,988	41,428
Printing and stationery	936,018	221,753
Advertisement	151,162	110,651
Staff welfare	114,624	216,606
	<u>18,389,208</u>	<u>18,144,311</u>
Schedule R - Communication and inauguration expenses		
Consultancy, professional charges and public relation	4,545,208	2,631,354
Salaries, wages and bonus	1,849,777	1,923,422
Contributions to provident fund	66,897	294,610
Travelling and conveyance	1,886,685	866,445
Inauguration event expenses	1,530,666	418,016
Printing and stationery	728,133	1,756,499
Advertisement	318,059	339,409
Courier and postage	340,381	2,763,384
Staff welfare	8,598	-
	<u>11,274,404</u>	<u>10,993,139</u>
Schedule S - Administration and other expenses		
Salaries, wages and bonus	25,699,892	15,529,357
Contributions to provident fund and employees state insurance	1,501,933	925,084
Depreciation	12,014,910	5,479,763
Security charges	3,075,935	1,065,603
Professional charges	3,914,136	1,877,401
Audit fees	5,490,938	2,122,887
Travelling and conveyance	3,597,749	3,611,290
Repairs and maintenance	3,483,749	3,602,035
Honorarium to administration volunteers	4,748,943	2,058,895
Communication expenses	2,140,399	2,134,438
Interest and bank charges	1,030,209	1,480,207
Printing & stationery	889,345	1,032,372
Rent	1,423,635	701,036
Computer maintenance	1,076,031	485,296
Write offs - Government receivables	19,508	485,067
Insurance	906,427	223,844
Loss on write off or sale of fixed assets, net	13,326	139,597
Miscellaneous expenses	1,077,715	860,887
	<u>72,104,780</u>	<u>43,815,059</u>
Schedule T - Other programme expenses		
Vidya Akshaya Patra expenses		
Life skills training	1,823,539	1,665,405
Scholarships and after class tutorial	-	1,218,424
Other expenses	707,288	286,521
	<u>2,530,827</u>	<u>3,170,350</u>
Other meal programme expenses		
Provisions and groceries	47,576,025	44,535,482
Salaries and honararium	12,210,052	10,726,929
Fuel	6,167,041	5,939,399
Others	7,842,773	8,580,774
	<u>73,795,891</u>	<u>69,782,584</u>
	<u>76,326,718</u>	<u>72,952,934</u>

Schedule U - Notes to the accounts

(I) Capital Commitments and contingencies

Amount in Rs.

	As at 31 March 2010	As at 31 March 2009
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	34,540,385	21,155,069
Outstanding bank guarantee, in respect of the guarantee given by bank in favour of others, secured by equivalent fixed deposit with bank	200,000	200,000
Dues not acknowledged as debt by the Trust	42,91,251	-

(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"); and
- 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:

Amount in Rs

Particulars	Year ended 31 March 2010	Year ended 31 March 2009
Corpus fund donations received:		
- ISKCON	961,000	8,439,000
- ISKCON Charities	-	2,400,000
- IHF	-	400,000
- SST	-	2,050,000
- HKM	-	50,000
- SST	-	-
	400,000	-

Particulars	Year ended 31 March 2010	Year ended 31 March 2009
Income from cash donations received towards feeding:		
- ISKCON	981,764	420,000
- ISKCON Charities	1,085,000	-
- TAPF Inc.	52,001,014	38,060,049
- SST	254,345	-
- HKM	754,214	-
Income from cash donations received towards fixed assets:		
- TAPF Inc.	798,252	8,855,122
Income from donations received in kind:		
- ISKCON	60,610	10,913
Rent and other expenses paid		
- ISKCON	3,630,154	-
Cultural event expenses paid		
- ISKCON Charities	-	24,598
Provisions and groceries purchased		
- Basics Foundation	-	16,307
- EARF	-	67,910
- HKM	4,698	-
- EARF	284,625	-
Expenditure incurred on behalf of the Trust		
- ISKCON	9,079,242	5,944,670
- ISKCON Charities	-	1,972,805
- GST	9,388	48,255
- SST	51,520	51,546
- HKM	593,800	58,024
- EARF	-	3,800
- IHF	210,279	-
Expenditure incurred by the Trust on behalf of related parties:		
- ISKCON	1,246,273	163,629
- ISKCON Charities	103,337	783,191
- SST	-	191,685
- HKM	-	1,034,654
- Basics Foundation	6,220	75,262
- TAPF Inc.	380,950	-
Unsecured loans taken		
- HKM	3,037,419	-
Unsecured loans repaid		
- HKM	3,037,419	-
- SRGST	-	1,000,000

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.

Notes to the accounts

C. Balances receivable from and payable to related parties:

Amount in Rs.

Particulars	Year ended 31 March 2010	Year ended 31 March 2009
Sundry creditors for expenses:		
- ISKCON	3,495,968	1,192,242
- ISKCON Charities	18,763	3,477,550
- GST	28,580	24,436
- SST	46,176	36,527
- EARF	-	21,110
- HKM	35,021	-
Advances recoverable in cash or in kind		
- ISKCON	174,221	44,130
- ISKCON Charities	27,374	106,152
- GST	-	16,386
- HKM	-	508,962
- Basics Foundation	97,789	91,569

(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 2010 is Rs 6,321,387 (Previous year Rs 3,731,370).

(iv) Employee Benefit Plans

a. Defined Contribution Plans

Total contribution made by the Trust during the year in respect of Defined contribution plan is Rs. 7,546,813 (Previous year Rs 4,247,143).

b. Defined Benefit Plans

Reconciliation of opening and closing balances of the present value of the defined benefit obligation: *Amount in Rs.*

	As at 31 March 2010	As at 31 March 2009
Obligations at period beginning	1,375,823	796,205
Service cost	2,470,653	587,026
Interest cost	107,589	55,734
Benefits settled	-	-
Actuarial (gain) / loss	(38,056)	(63,142)
Obligations at period end	3,916,009	1,375,823
Change in plan assets:		<i>Amount in Rs.</i>
	As at 31 March 2010	As at 31 March 2009
Plans assets at beginning of the period, at fair value	1,204,439	-
Expected return on plan assets	133,231	-
Actuarial gain / (loss)	(121,626)	-
Contributions	1,100,000	1,204,439
Benefits settled	-	-
Plans assets at end of the period, at fair value	2,316,044	1,204,439

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

Notes to the accounts

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

Amount in Rs.

	As at 31 March 2010	As at 31 March 2009
Present value of the defined benefit obligations at the end of the period	3,916,009	1,375,823
Fair value of plan assets at the end of the period	2,316,044	1,204,439
Liability recognized in the balance sheet	1,599,965	171,384
Gratuity cost for the year:		
	Year ended 31 March 2010	Year ended 31 March 2009
Service cost	2,470,653	587,026
Interest cost	107,589	55,734
Expected return on plan assets	(133,231)	-
Actuarial loss	(83,570)	(63,142)
Net gratuity cost	2,361,441	579,618
Assumptions		
Discount rate	7.82%	7.00%
Estimated rate of return on plan assets	8.00%	7.00%
Salary escalation rate	6.00%	6.00%

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.

c. Leave Encashment

With effect from 1st April 2009, the Trust has provided for compensated absences for all employees who have worked for 240 days or more and who continue to be on rolls as on 31 March 2010. The liability is computed on the gross wages for the earned leave day balance available as on 31 March 2010.

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

(a) Earnings in foreign currency:

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Donations received towards fixed assets	10,081,511	8,855,122
Donation received towards meals	145,864,134	63,256,934
	155,945,645	72,112,056

(b) Expenditure in foreign currency towards purchase of computer software Rs. 36,339 (Previous year: Rs Nil).

(vi) Fixed deposits include donation received of Rs 42,118,183 (Previous year Rs 31,552,722) towards expansion, yet to be spent and Rs 5,312,000 (Previous year 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

Madhu Pandit Dasa

Chairman

Ramadas U Kamath

Trustee

Auditors' Report

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 2009 to 31 March 2010, 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

Registration No. : 101248W

Supreet Sachdev

Partner

Membership No. 205385

Bangalore

Date: 01 September 2010

Receipts and payments account

Amount in Rs.

	Schedule	Year ended 31 March 2010	Year ended 31 March 2009
Opening balance			
Cash		323,424	690,918
Bank		117,434,808	59,127,754
		117,758,232	59,818,672
Add : Receipts			
Donations	A	562,867,258	408,202,626
Cash subsidies from government	B	329,371,086	294,870,160
Other receipts	C	77,900,472	10,706,078
Sale of fixed assets	D	29,910	623,941
Secured loans		13,503,756	39,457,255
		1,101,430,714	813,678,732
Less: Payments			
Secured loans		13,503,756	42,467,118
Unsecured loans		-	1,000,000
Purchase of fixed assets	E	160,138,838	120,312,013
Loans and advances	F	(384,463)	3,682,891
Cost of meals	G	410,455,166	363,373,197
Distribution expenses	H	103,369,317	74,951,824
Fund raising expenses	I	15,281,756	20,575,531
Communication and inauguration expenses	J	10,738,738	11,544,259
Administration and other expenses	K	54,067,686	45,898,341
Other programme expenses	L	77,056,650	11,859,628
Income tax expenses	M	276,896	255,698
		844,504,340	695,920,500
Closing balance		256,926,374	117,758,232
Represented by			
Cash		314,187	323,424
Bank		256,612,187	117,434,808
		256,926,374	117,758,232

The schedules referred to above form an integral part of the receipt and payment account

As per our report attached

For B S R & Co.
Chartered Accountants
Registration No. : 101248W

For The Akshaya Patra Foundation

Supreet Sachdev
Partner
Membership No. 205385
Place : Bangalore
Date : 01 September 2010

Madhu Pandit Dasa
Chairman

Ramdas U Kamath
Trustee

Schedules to the receipts and payments account

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Receipts:		
Schedule A - Donations		
Donations in cash		
- received in India towards meals	283,992,739	256,481,159
- received in other countries towards meals	85,156,488	47,069,836
- received in India towards fixed assets	5,155,887	2,258,926
- received in other countries towards fixed assets	2,664,433	44,900
Change in trust fund receipts	107,747,411	78,756,841
Change in endowment fund receipts	6,000	5,006,000
Change in deferred income from donations		
- received towards meals	54,020,752	(1,882,311)
- received towards fixed assets	25,834,298	20,467,275
Change in donation receivable	(1,710,750)	
	562,867,258	408,202,626
Schedule B - Cash subsidies from government and government bodies		
Cash subsidies from government and government bodies	355,428,767	335,137,624
Change in cash subsidies receivable from government and government bodies	(23,162,833)	(33,191,824)
Change in cash subsidies from government and government bodies received in advance	(2,894,848)	(7,075,640)
	329,371,086	294,870,160
Schedule C - Other receipts		
Interest received	6,437,371	4,462,865
Miscellaneous income	2,123,552	1,947,377
Other programme receipts	69,074,435	6,177,471
Change in interest accrued and not due	265,114	(1,881,635)
	77,900,472	10,706,078
Schedule D - Sale of fixed assets		
Book value of assets sold, net	43,236	200,905
(Loss) / profit on sale or write-off of fixed assets, net	(13,326)	423,036
	29,910	623,941
Payments:		
Schedule E - Purchase of fixed assets		
Additions as per balance sheet	142,174,278	180,308,569
Assets received as donations	(4,050,629)	(6,771,615)
Change in sundry creditors for capital goods	(1,749,046)	8,095,365
Change in retention monies payable	(541,609)	(1,063,903)
Creditors write back	(212,684)	-
Change in capital work in progress	24,518,528	(60,256,403)
	160,138,838	120,312,013

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Schedule F - Loans and advances		
Change in salary advances	(342,822)	425,557
Change in deposits	1,030,490	2,183,180
Change in advances recoverable in cash or in kind	(1,072,131)	1,074,154
	(384,463)	3,682,891
Schedule G - Cost of food		
Cost of food as per income and expenditure account	563,535,264	490,219,642
Change in inventory of provisions and groceries	7,429,258	2,915,822
Change in sundry creditors for expenses	(6,213,570)	(6,235,173)
Change in statutory liabilities	(817,355)	(466,480)
Change in other liabilities	(3,584,419)	2,479,090
Change in advances recoverable in cash or in kind	(74,721)	(452,229)
Change in prepaid expenses	164,728	(913,899)
Liabilities no longer required written back	(90,843)	(53,096)
Change in inventory of stores and spare parts	405,069	436,987
Donations received in kind	(1,276,914)	(1,984,567)
Depreciation	(65,789,799)	(53,001,847)
Grants of food grains from government and government bodies	(79,241,555)	(66,291,878)
Change in grant of food grains from government and government bodies received in advance	(3,989,977)	(3,279,175)
	410,455,166	363,373,197
Schedule H -Distribution expenses		
Distribution expenses as per income and expenditure account	146,554,129	118,160,896
Change in sundry creditors for expenses	(2,210,625)	(50,742)
Change in statutory liabilities	(290,372)	(109,024)
Change in other liabilities	823,251	(1,445,977)
Change in advances recoverable in cash or in kind	808,006	(28,437)
Change in prepaid expenses	35,099	821,001
Depreciation	(42,359,356)	(43,055,700)
Change in creditors write back	-	(472)
Change in inventory of fuel	9,185	660,279
	103,369,317	74,951,824
Schedule I - Fund raising expenses		
Publicity expenses as per income and expenditure account	18,389,208	18,144,311
Change in sundry creditors for expenses	(1,926,674)	2,431,220
Change in statutory liabilities	(91,811)	-
Change in other liabilities	(1,046,967)	-
Change in advances recoverable in cash or in kind	(42,000)	-
	15,281,756	20,575,531
Schedule J - Communication and inauguration expenses		
Publicity expenses as per income and expenditure account	11,274,404	10,993,139
Change in sundry creditors for expenses	(396,484)	497,960
Change in statutory liabilities	(17,488)	-
Change in other liabilities	(121,694)	75,130
Change in advances recoverable in cash or in kind	-	(21,970)
	10,738,738	11,544,259

	Year ended 31 March 2010	Year ended 31 March 2009
Schedule K - Administration and other expenses		
Administration expenses as per income and expenditure account	72,104,780	51,404,659
Loss on sale or write-off of fixed assets, net	(13,326)	(141,325)
Change in sundry creditors for expenses	(427,708)	76,470
Change in provision for gratuity and leave encashment	(4,591,809)	592,118
Change in statutory liabilities	(730,298)	(374,956)
Change in other liabilities	(1,185,541)	(1,083,066)
Change in advances recoverable in cash or in kind	1,291,757	515,034
Change in prepaid expenses	(365,259)	554,770
Depreciation	(12,014,910)	(5,479,763)
Change in creditor write back	-	(165,600)
	54,067,686	45,898,341
Schedule L - Other programme expenses		
Other programme expenses as per income and expenditure account	76,326,718	11,815,783
Change in sundry creditors for expenses	727,035	801,475
Change in other liabilities	589,475	(726,625)
Change in advances recoverable in cash or in kind	(586,578)	(31,005)
	77,056,650	11,859,628
Schedule M - Income tax expenses		
Change in provision for tax	-	105,099
Change in advance tax	276,896	150,599
	276,896	255,698

Independent Auditors' Report

The Board of Trustees

The Akshaya Patra Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of The Akshaya Patra Foundation ("the Trust"), which comprise the balance sheet as at 31 March 2010, and the statement of operations, statement of changes in Trust funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board except for such modifications as are considered appropriate to reflect the objectives of the Trust i.e. carrying out charitable activities with effective use of resources rather than making profits and maximisation of members' wealth (refer to note 1.2, Basis of preparation of financial statements, in significant accounting policies). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Trust as at 31 March 2010, and of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board except for the modifications considered appropriate to reflect the objectives of the Trust i.e. carrying out charitable activities with effective use of resources rather than making profits and maximisation of members' wealth (refer to note 1.2, Basis of preparation of financial statements), as reflected in significant accounting policies.

KPMG

28 September 2010

Bangalore, India

The Akshaya Patra Foundation

Balance sheet as at March 31,

Amount in Rs

	Note	2010	2009
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	452,063,752	405,578,246
Deposits with banks			10,174,300
Total non-current assets		452,063,752	415,752,546
Current assets			
Inventories	2.2	20,981,148	13,137,637
Prepayments and other assets	2.3	13,215,342	12,356,990
Cash and cash equivalents	2.4	89,860,496	42,911,567
Deposits with banks		167,065,878	64,672,365
Total current assets		291,122,864	133,078,559
Total assets		743,186,616	548,831,105
LIABILITIES AND TRUST FUNDS			
Non-current liabilities			
Employee benefit obligation	2.5	4,763,193	171,384
Total non-current liabilities		4,763,193	171,384
Current liabilities			
Payables	2.6	75,044,975	55,833,074
Total current liabilities		75,044,975	55,833,074
Total liabilities		79,808,168	56,004,458
Trust funds			
Corpus fund	2.11	468,071,513	360,324,102
General fund		(3,436,609)	(7,918,791)
Restricted fund			
Endowment fund		5,312,000	5,306,000
Designated fund		68,056,337	39,982,426
Mid-day meal fund		125,375,207	95,132,910
		198,743,544	140,421,336
Total trust funds		663,378,448	492,826,647
Total liabilities and trust funds		743,186,616	548,831,105

The accompanying notes form an integral part of these financial statements

The Akshaya Patra Foundation

Statement of Operations for the year ended March 31,

Amount in Rs

	Note	2010	2009
Income			
Income from donations	2.7	380,057,477	308,601,352
Income from grants from governments and government bodies	2.8	434,670,322	345,179,885
Income from other programmes		69,074,435	61,419,538
Other income	2.14	8,864,451	8,201,522
Total income		892,666,685	723,402,297
Expenditure			
Cost of providing food	2.9	563,535,264	439,057,210
Distribution expenses	2.9	146,554,129	115,775,776
Fund raising expenses	2.9	18,389,208	18,144,311
Communication and inauguration expenses	2.9	11,274,404	10,993,139
Administrative and other expenses	2.9	72,104,780	43,815,059
Other programme expenses	2.9	76,326,718	72,952,934
Total expenditure		888,184,503	700,738,429
Surplus/(deficit) before income taxes		4,482,182	22,663,868
Income tax expense	1.8	-	-
Net surplus/(deficit) transferred to general fund		4,482,182	22,663,868

The accompanying notes form an integral part of these financial statements

The Akshaya Patra Foundation

Statement of changes in Trust Funds

Amount in Rs

Particulars	Corpus Fund	General Fund	Endowment Fund	Designated Fund	Mid-day meal Fund	Total Trust Funds
Balance as of 1 April 2008	281,567,461	(30,582,659)	300,000	13,505,500	134,003,510	398,793,812
Add: Funds received during the year	78,756,641	-	5,006,000	36,276,601	288,163,184	408,202,426
Add: Assets received as donations during the year	-	-	-	6,771,615	-	6,771,615
Add: Grant of food grains received during the year	-	-	-	-	69,571,053	69,571,053
Add: Subsidies received during the year	-	-	-	-	238,620,543	238,620,543
Less: Income recognised during the year	-	-	-	(3,065,790)	(648,730,880)	(651,796,670)
Less: Moved to other fund	-	-	-	(13,505,500)	13,505,500	-
Add: Surplus/(deficit) for the year	-	22,663,868	-	-	-	22,663,868
Balance as of 31 March 2009	360,324,102	(7,918,791)	5,306,000	39,982,426	95,132,910	492,826,647
Add: Funds received during the year	107,747,411	-	6,000	33,654,618	421,459,228	562,867,257
Add: Assets received as donations during the year	-	-	-	4,050,629	-	4,050,629
Add: Grant of food grains received during the year	-	-	-	-	83,231,532	83,231,532
Add: Subsidies received during the year	-	-	-	-	329,371,086	329,371,085
Less: Income recognised during the year	-	-	-	(9,631,336)	(803,819,549)	(813,450,885)
Add: Surplus/(deficit) for the year	-	4,482,182	-	-	-	4,482,182
Balance as of 31 March 2010	468,071,513	(3,436,609)	5,312,000	68,056,338	125,375,207	663,378,448

The accompanying notes form an integral part of these financial statements

Statement of Cash Flows for the year ended March 31,

Amount in Rs

Particulars	2010	2009
Cash flows from operating activities		
Donations towards mid-day meal fund	421,459,229	301,668,684
Cash subsidies from government and government bodies	329,371,086	238,620,543
Receipts from other programmes and cultural events	69,135,435	62,427,088
Miscellaneous receipts	2,062,552	1,921,627
Cost of providing food	(410,455,166)	(363,373,197)
Distribution expenses	(103,369,317)	(74,951,824)
Fund raising expenses	(15,281,756)	(20,575,531)
Communication and inauguration expenses	(10,738,738)	(11,544,259)
Administrative and other expenses	(54,067,686)	(45,898,341)
Other programme expenses	(77,056,650)	(11,859,628)
Advances and desposits collected/(paid)	384,463	(3,682,891)
Cash generated from operations	151,443,452	72,752,271
Income taxes paid	(276,896)	(255,698)
Net cash from operating activities	151,166,556	72,496,573
Cash flows from investing activities		
Purchase of property, plant and equipment	(160,138,838)	(120,312,013)
Deposits with banks	(92,219,213)	(62,012,844)
Interest received	6,702,485	2,607,180
Proceeds from sale of property plant and equipments	29,910	623,941
Net cash used in investing activities	(245,625,656)	(179,093,736)
Cash flows from financing activities		
Corpus fund donations received	107,747,411	78,756,641
Endowment fund donations received	6,000	5,006,000
Loans and borrowings taken	16,541,175	39,457,255
Loans and borrowings repaid	(16,541,175)	(43,467,118)
Designated fund donations received	33,654,618	22,771,101
Net cash from financing activities	141,408,029	102,523,878
Net change in cash and cash equivalent	46,948,929	(4,073,284)
Cash and cash equivalent at the beginning of the period	42,911,567	46,984,851
Cash and cash equivalent at the end of the period	89,860,496	42,911,567

The accompanying notes form an integral part of these financial statements

I. Organisation overview and significant accounting policies

1.1 Organisation overview

The Akshaya Patra Foundation ('the Trust or TAPF') is registered under Indian Trusts 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 provide mid-day meals to the children studying in government and municipal schools (the 'Akshaya Patra Programme') in various states in India.

The Trust is also involved in various other charitable activities like providing intensive coaching for non meritorious students and food after school hours under "Vidya Akshaya Patra Programme", providing subsidized meals to daily wage earners under "Akshaya Kalewa Programme", providing premixed food for babies in anganwadis under "Baby Mix Programme", providing water in water starved slum areas under the "Akshaya Jaldhara Programme" and providing meals to prisoners at central prison and senior citizens.

These financial statements were authorised for issuance by the Trust's Board of Trustees on 28 September 2010.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board except for such modifications as have been considered appropriate to reflect the objectives of the Trust i.e., carrying out charitable activities with effective use of resources rather than making profits and maximisation of members' wealth. IFRSs are not primarily designed for non-profit organizations. Therefore, to properly reflect the objectives of the trust, departures from certain IFRSs have been made in presenting these financial statements, e.g. from IAS 1 Presentation of Financial Statements and IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. These financial statements as at and for the year ended 31 March 2010 have been prepared under the historical cost convention on the accrual basis except for certain financial instruments which have been measured at fair values.

Accounting policies have been applied consistently to all periods presented in the financial statements.

1.3 Use of estimates

The preparation of the financial statements in conformity with IFRS requires the Trustees of the Trust ('Trustees') to make estimates, judgments and assumptions. These estimates affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of

revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.4 Property, plant and equipment including capital work-in-progress

Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation and impairment, if any. Property, plant and equipment received on donation are recorded at fair value. The cost of property, plant and equipment 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 assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment and the cost of assets not put to use as at the balance sheet date are disclosed under capital work-in-progress. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Trust and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of operations when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of operations.

Depreciation on property, plant and equipment is provided on a straight-line method basis over the estimated useful life of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets. The estimated useful lives for the current and comparative period are as follows:

Class of assets	Estimated useful life
Buildings	15 years
Kitchen and related equipments	3 years
Office equipments	3 years
Computer equipment	3 years
Furniture and fixtures	5 years
Vehicles	3 years
Distribution vessels	2 years

Depreciation is charged on a proportionate basis for all assets purchased and sold during the year. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Freehold land is not depreciated. Depreciation on leasehold improvements is provided over the lease term or the useful lives of assets, whichever is lower.

1.5 Leases

Assets acquired under lease where the Trust assumes 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 the statement of operations on accrual basis over the lease term.

1.6 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 (FIFO) 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.

1.7 Grants and donations

The Trust receives government grants as well as donations from non-government sources to carry out the charitable activities for which it is set up.

Grants and donations, including non-monetary grants and donations, are recognised when there is reasonable assurance that the Trust will comply with the conditions attaching to them, and that the donations will be received. On initial recognition, non-monetary grants and donations are measured on gross basis i.e. non-monetary grant of grains at regulated prices and other non-monetary grants at fair value.

Corpus fund

Corpus fund is held as a capital fund. Donations with a specific mandate that they should be included in the corpus fund are credited to the "corpus fund" without recognition in the statement of operations.

Endowment fund

Donations with a specific mandate that they should be considered as an endowment are credited to the specific "endowment fund" without recognition in the statement of operations. Income from investment of endowment funds and expenses incurred for meeting the related

obligation are recognised in the statement of operations.

Donations towards depreciable fixed assets

Donations in cash or in kind specifically towards depreciable fixed assets are credited to "designated fund". As depreciation is charged every year on such assets in the statement of operations, an equivalent amount is transferred from the 'designated fund' to the statement of operations.

Mid-day meal fund

Donations towards mid-day meal scheme where the terms and conditions require utilization over specified period are credited to "mid-day meal fund" and are recognised as income ratably over the period of usage.

Government grants of grains, cash subsidy from government and donations received from other donors towards mid-day meal scheme are credited to "mid-day meal fund" and are recognised in statement of operations when the obligation associated with such grant/donation is met. Government grants of grains are measured at lower of market price and regulated price of grains at the time of receipt. Grants of grains other than from government are recorded at fair value at the time of receipt.

General fund

The balance in the statement of operations is transferred to general fund.

Donations without specific mandate/usage period

Other donations without a specific mandate or a specified usage period are recognised as income when received.

Others

Income from cultural events is recognised over the period of the related event.

Income from other programme 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.

1.8 Income tax

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

Consequent to the insertion of tax liability on anonymous donations vide Finance Act 2006 in India, the Trust provides for the tax liability, if any, in accordance with the provisions of Section 115BBC of the Act.

1.9 Foreign exchange transactions

The functional currency and the presentation currency of the Trust is Indian Rupees. All amounts are stated in Indian rupees, except as otherwise stated. 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 statement of operations 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 statement of operations.

1.10 Provisions and contingencies

A provision is recognised when, as a result of obligating events, there is a present obligation that probably requires an outflow of economic benefits and a reliable estimate can be made of the amount of obligation. Provisions are measured at the present value of the expenditure expected to settle the 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.

1.11 Non-derivative financial instruments

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss. Loans and receivables are represented by prepayments and other assets, cash and cash equivalents and deposits with banks. Cash and cash equivalents comprise of cash and deposits held at call with banks.

(ii) Payables

Payables are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest method.

1.12 Employees benefits

Provident fund and employee's state insurance

All eligible employees receive benefit from provident fund,

and employee's state insurance which are defined contribution plans. Both the employee and the Trust make monthly contribution, which are equal to a specified percentage of the covered employee's basic salary. The Trust has no further obligations under these plans beyond its monthly contributions. Monthly contributions made by the Trust are charged to the statement of operations.

Gratuity

Liabilities with regard to the Gratuity Plan, a defined benefit plan, are determined by actuarial valuation at each balance sheet date using the projected unit credit method. The Trust recognizes the net obligation of a defined benefit plan in the statement of balance sheet as an asset or liability, respectively in accordance with IAS 19, Employee benefits. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of operations in the period in which they arise.

Compensated absences

The employees of the Trust are entitled to compensated absences. The policies of the Trust allow carry forward of certain leave days which can be utilized in the future period. Liabilities for such compensated absence are provided based on actuarial valuation.

1.13 Fair value of financial instruments

A number of the Trust's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

A) *Other receivables* - The fair value of other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

B) *Non-derivate financial liabilities* - Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

1.14 Impairment of assets

(a) Financial assets

The Trust assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are

assessed collectively in groups that share similar credit risk characteristics. Impairment loss in respect of loans and receivables measured at amortized cost are calculated as the difference between their carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Such impairment loss is recognized in the statement of operations.

(b) Non-financial assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of operations is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

(c) Reversal of impairment loss

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

1.15 Cash flow statement

The Trust has prepared its cash flow statement under the direct method whereby major classes of gross receipts and gross payments are disclosed. The cash flows from operating, investing and financing activities of the Trust are segregated. Receipts towards corpus, endowment and designated funds are considered as financing activities. Receipts towards mid-day meal fund are considered as operating activities.

1.16 Regrouping

Corresponding figures have been regrouped to conform to the presentation of the current year.

1.17 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 March 2010, and have not been applied in preparing these financial statements:

- Improvements to IFRS- In April 2009, the IASB issued "Improvements to IFRSs" a collection of amendments to twelve International Financial Reporting Standards as part of its programme of annual improvements to its standards, which is intended to make necessary, but non-urgent, amendments to standards that will not be included as part of another major project. The latest amendments were included in exposure drafts of proposed amendments to IFRS published in October 2007, August 2008, and January 2009. The amendments resulting from this standard mainly have effective dates for annual periods beginning on or after January 1, 2010, although entities are permitted to adopt them earlier. In May 2010 the IASB issued Improvements to IFRS 2010, which comprises 11 amendments to 7 standards. Effective dates, early application and transitional requirements are addressed on a standard-by-standard basis. The majority of the amendments will be effective January 1, 2011. The Trust is evaluating the impact, these amendments will have on the Trust's financial statements.

- In November 2009, the IASB issued IFRS 9, "Financial instruments", to introduce certain new requirements for classifying and measuring financial assets. IFRS 9 divides all financial assets that are currently in the scope of IAS 39 into two classifications those measured at amortized cost and those measured at fair value. The standard along with proposed expansion of IFRS 9 for classifying and measuring financial liabilities, de-recognition of financial instruments, impairment, and hedge accounting will be applicable from the year 2013, although entities are permitted to adopt earlier. The Trust is evaluating the impact which this new standard will have on the Trust's financial statements.

2. Notes to financial statements

2.1 Property, plant and equipment

The following tables present the carrying value of property, plant and equipment as at March 31, 2010 and March 31, 2009 and the changes to the carrying value of property, plant and equipment during the years ended March 31, 2010 and March 31, 2009:

Amount in Rs

Class of asset	Gross carrying amount as at 1 April 2009	Additions	Disposals	Gross carrying amount as at 31 March 2010	Accumulated depreciation as at 1 April 2009	Depreciation for the year	Disposals	Accumulated depreciation as at 31 March 2010	Net carrying amount as at 31 March 2010
Land	11,814,827	234,773	-	12,049,600	-	-	-	-	12,049,600
Buildings	251,715,972	22,718,622	-	274,434,594	32,503,498	19,042,178	-	51,545,676	222,888,918
Lease-hold improvements	14,691,282	9,243,566	-	23,934,848	4,023,702	4,707,378	-	8,731,080	15,203,768
Kitchen and related equipment	157,048,243	38,852,395	6,416	195,894,222	83,141,488	46,747,621	-	129,889,109	66,005,113
Office equipment	4,638,592	1,684,048	1,500	6,321,140	1,708,832	1,700,848	385	3,409,295	2,911,845
Computer equipment	4,843,540	6,317,391	40,999	11,119,932	2,875,441	1,923,782	5,786	4,793,437	6,326,495
Furniture and fixtures	13,149,002	1,677,189	630	14,825,561	5,773,990	3,682,902	138	9,456,754	5,368,807
Vehicles	110,512,912	41,848,169	499,721	151,861,360	71,020,792	28,198,134	499,721	98,719,205	53,142,155
Distribution vessels	59,944,666	19,598,125	-	79,542,791	47,972,626	14,161,221	-	62,133,847	17,408,944
	628,359,036	142,174,278	549,266	769,984,048	249,020,369	120,164,064	506,030	368,678,403	401,305,645
Capital work-in-progress	26,239,579	166,692,806	142,174,278*	50,758,107	-	-	-	-	50,758,107
Total	654,598,615	308,867,084	142,723,544	820,742,155	249,020,369	120,164,064	506,030	368,678,403	452,063,752

Amount in Rs

Class of asset	Gross carrying amount as at 1 April 2008	Additions	Disposals	Gross carrying amount as at 31 March 2009	Accumulated depreciation as at 1 April 2008	Depreciation for the year	Disposals	Accumulated depreciation as at 31 March 2009	Net carrying amount as at 31 March 2009
Land	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
Lease-hold improvements	10,992,607	3,698,675	-	14,691,282	3,038,300	985,402	-	4,023,702	10,667,580
Kitchen and related equipment	98,124,497	60,212,353	374,990	157,961,860	46,391,621	37,183,866	267,235	83,308,252	74,653,608
Office equipment	1,219,031	2,524,944	-	3,743,975	659,144	882,924	-	1,542,068	2,201,907
Computer equipment	3,729,267	1,224,587	129,314	4,824,540	1,694,288	1,217,316	36,164	2,875,440	1,949,100
Furniture and fixtures	11,117,016	2,031,986	-	13,149,002	3,379,869	2,394,121	-	5,773,990	7,375,012
Vehicles	86,672,498	26,366,311	2,525,897	110,512,912	49,055,867	24,490,823	2,525,897	71,020,793	39,492,119
Distribution vessels	47,435,641	12,509,025	-	59,944,666	29,407,749	18,564,877	-	47,972,626	11,972,040
	451,080,668	180,308,569	3,030,201	628,359,036	150,312,355	101,537,310	2,829,296	249,020,369	379,338,667
Capital work-in-progress	86,495,982	120,052,166	180,308,569*	26,239,579	-	-	-	-	26,239,579
Total	537,576,650	300,360,735	183,338,770	654,598,615	150,312,355	101,537,310	2,829,296	249,020,369	405,578,246

*: Represents amount capitalised

Depreciation expense for the year ended 31 March 2010 and 2009 is included in:

Amount in Rs

	Year ended 31 March 2010	Year ended 31 March 2009
Cost of providing food	65,789,799	53,001,847
Distribution expenses	42,359,355	43,055,700
Administrative and other expenses	12,014,910	5,479,763
Total	120,164,064	101,537,310

2.2 Inventories

All amounts are in rupees, unless otherwise stated

Inventories consist of the following:

	As at March 31,	
	2010	2009
Food grains and other consumables	19,469,629	12,040,371
Spares held for consumption	1,511,519	1,097,266
Total	20,981,148	13,137,637

2.3 Prepayments and other assets

Prepayments and other assets consist of the following:

	As at March 31,	
	2010	2009
Deposits	5,552,997	4,522,506
Interest accrued and not due	1,708,502	1,973,616
Prepaid expenses	1,383,768	1,549,200
Advance payments to vendors for supply of goods and services	3,642,115	3,317,782
Employee advances	500,465	843,287
Advance Income tax	427,495	150,599
Total	13,215,342	12,356,990
Financial assets in prepayments and other assets	11,404,079	10,657,191

2.4 Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As at March 31,	
	2010	2009
Cash in hand	314,187	323,424
Balance in bank accounts	89,546,309	42,588,143
Total	89,860,496	42,911,567

2.5 Employee benefits:

Gratuity

Employee benefit obligation represents payable for gratuity plan of the Trust as of 31 March 2010 and 2009 respectively. The plan is funded with Life Insurance Corporation of India.

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

	As at March 31,	
	2010	2009
Obligations at period beginning	1,375,823	796,205
Service cost	2,470,653	587,026
Interest cost	107,589	55,734
Benefits settled	-	-
Actuarial (gain) / loss	(38,056)	(63,142)
Obligations at period end	3,916,009	1,375,823

Change in plan assets:

	As at March 31,	
	2010	2009
Plans assets at beginning of the period, at fair value	1,204,439	-
Expected return on plan assets	133,231	-
Actuarial gain / (loss)	(121,626)	-
Contributions	1,100,000	1,204,439
Benefits settled	-	-
Plans assets at end of the period, at fair value	2,316,044	1,204,439

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:

	As at March 31,	
	2010	2009
Present value of the defined benefit obligations at the end of the period	3,916,009	1,375,823
Fair value of plan assets at the end of the period	2,316,044	1,204,439
Liability recognized in the balance sheet	1,599,965	171,384

Gratuity cost for the year:

	Year ending March 31,	
	2010	2009
Service cost	2,470,653	587,026
Interest cost	107,589	55,734
Expected return on plan assets	(133,231)	-
Actuarial loss	(83,570)	(63,142)
Net gratuity cost	2,361,441	579,618

Assumptions

	2010	2009
Discount rate	7.82%	7.00%
Expected rate of return on plan assets	8.00%	7.00%
Salary escalation rate	6.00%	6.00%

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.

Gratuity cost has been apportioned between the following on the basis of direct employee cost:

	Year ending March 31,	
	2010	2009
Cost of providing food and other charitable activities	918,598	170,508
Distribution expenses	728,286	206,502
Fund raising expenses	145,554	41,271
Communication and inauguration expenses	38,205	10,833
Administrative and other expenses	530,798	150,504
Total	2,361,441	579,618

Leave Encashment

Effective April 1, 2009, the Trust has communicated the revised leave policy which permits carry forward of leave and encashment on termination. Accordingly, the Trust has provided for leave encashment for all employees having leave balance amounting to Rs 3,163,228 during the year ended 31 March 2010.

Leave encashment cost has been apportioned between the following on the basis of direct employee cost:

	Year ending March 31,	
	2010	2009
Cost of providing food and other charitable activities	1,230,492	-
Distribution expenses	975,564	-
Fund raising expenses	194,974	-
Communication and inauguration expenses	51,177	-
Administrative and other expenses	711,021	-
Total	3,163,228	-

Provident fund and Employee State insurance

The Trust has contributed Rs 10,360,117 and Rs 6,459,810 to the Provident Fund and Employee State Insurance during the year ended 31 March 2010 and 2009 respectively. Provident fund and employee state insurance contributions have been apportioned between the following on the basis of direct employee cost:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Cost of providing food and other charitable activities	4,753,093	3,370,679
Distribution expenses	3,690,671	1,577,040
Fund raising expenses	347,523	248,917
Communication and inauguration expenses	66,897	294,610
Administrative and other expenses	1,501,933	968,564
Total	10,360,117	6,459,810

Employee costs include:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Salaries, bonus and honorarium	127,775,341	89,940,746
Defined contribution plan	10,360,117	6,459,810
Defined benefit plan	5,524,669	579,618
Total	143,660,127	96,980,174

The employee cost has been recognised in the following line items in the statement of operations:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Cost of providing food and other charitable activities	63,322,143	45,043,232
Distribution expenses	38,952,454	22,226,573
Fund raising expenses	7,509,490	8,971,001
Communication and inauguration expenses	1,925,272	2,218,033
Administrative and other expenses	31,950,768	18,513,335
Total	143,660,127	96,980,175

2.6 Payables

Trade and other payables consist of the following:

Amount in Rs.

	As at March 31,	
	2010	2009
Creditors for capital goods	8,921,983	7,172,937
Creditors for expenses	44,692,617	34,244,591
Retention monies payable	5,526,638	4,985,029
Accrued expenses	13,005,953	8,480,057
Statutory dues	2,897,784	950,460
Total	75,044,975	55,833,074
Financial liabilities included in payables	75,044,975	55,833,074

2.7 Income from donations

Income from donations comprised of:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Donation in cash for mid day meal scheme	369,149,227	303,550,995
Donation in cash towards fixed assets	7,820,320	2,303,826
Donations in kind towards fixed assets	1,811,016	761,964
Donations in kind – others	1,276,914	1,984,567
Total	380,057,477	308,601,352

2.8 Grant income from governments and government bodies

Income from government grants comprised of:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Grant of food grains from governments and government bodies for mid-day meal scheme	79,241,555	66,291,878
Cash subsidies received from governments and government bodies for mid- day meal scheme	355,428,767	278,888,007
Total	434,670,322	345,179,885

2.9 Expenses by nature

Amount in Rs.

	Year ending March 31,	
	2010	2009
Purchase of meal items	397,778,623	325,198,615
Personnel cost	143,660,127	96,980,174
Contract labor cost	19,938,082	17,155,029
Depreciation	120,164,064	101,537,310
Power and fuel expenses	83,587,582	63,321,137
Vehicle hiring and maintenance charges	30,458,781	22,761,675
Marketing expenses	2,098,464	781,753
Public Relations and Consultancy charges	10,424,566	8,302,920
Repairs and maintenance	23,434,326	20,101,361
Security charges	10,285,886	7,361,422
Travelling and communication expenses	12,866,039	11,220,678
Postage & Printing Charges	3,802,583	5,876,719
Professional charges	4,629,763	1,877,401
Audit Fees*	5,490,938	2,122,887
Rent	6,321,386	3,731,370
Scholarship and training expenses	1,824,359	2,883,829
Rates & Taxes and Insurance	3,294,929	2,189,131
Interest & Bank Charges	1,044,202	1,514,477
Other expenses	7,079,803	5,820,541
Total	888,184,503	700,738,429

*: Including fees paid to branch auditors

2.10 Financial risk management

The Trust's financial instruments include financial assets (cash and cash equivalents, and prepayments and other assets), and financial liabilities (payables that arise directly from operations). The Trust has exposure to following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

This note presents information about the Trust's exposure to each of the above risks, the Trust's objective, policies and processes for measuring and managing risk.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Trust and therefore cause a loss. The Trust is not exposed to any material concentrations of credit risk other than its exposure to various government and government bodies. Receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to irrecoverability is insignificant. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty raising liquid funds to meet the cause of the Trust. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to raise sufficient donation income. The Trust aims to maintain its committed stream of donors and flexibility in funding by keeping committed short term loan available.

Fair Value

Fair value is the amount for which an item could be exchanged, or a liability is settled, between knowledgeable and willing parties in an arms length transaction. The fair values of all financial instruments are detailed below by class.

The carrying value and fair value of financial instruments by categories as at March 31, 2010 and 2009 were as follows:

Particulars	Loans and receivables	Payables	Total carrying value	Total fair value
Assets:				
Cash and cash equivalents	89,860,496	-	89,860,496	89,860,496
	42,911,567	-	42,911,567	42,911,567
Deposits with banks	167,065,878	-	167,065,878	167,065,878
	74,846,665	-	74,846,665	74,846,665
Prepayment and other assets	11,404,079	-	11,404,079	11,404,079
	10,657,191	-	10,657,191	10,657,191
Total	268,330,453	-	268,330,453	268,330,453
	128,415,423	-	128,415,423	128,415,423
Liabilities:				
Employee benefits obligation	-	4,763,193	4,763,193	4,763,193
	-	171,384	171,384	171,384
Loans and borrowings	-	-	-	-
	-	-	-	-
Payables	-	75,044,975	75,044,975	75,044,975
	-	55,833,074	55,833,074	55,833,074
Total	-	79,808,168	79,808,168	79,808,168
	-	56,004,458	56,004,458	56,004,458

2.11 Trust funds

Trust funds of the Trust are classified based on the mandate received from the donors. Presently, the trust funds comprises of Corpus fund, endowment fund, designated fund, mid-day meal fund and general fund.

Corpus fund

Corpus fund are donations received with specific mandate to form part of corpus of the Trust. Corpus fund can be diluted only in case of liquidation of the Trust and the donation once received towards corpus fund cannot be refunded in any other case. Further, these funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Accordingly, these donations are treated as unrestricted capital receipts and credited directly to corpus fund of the Trust.

Endowment fund

Endowment fund are donations received with specific mandate to form part of endowment fund of the Trust. These donations are generally given with a specific instruction to invest in an income generating asset like fixed deposit. Such donation are received on non-refundable basis and hence treated as capital receipt.

Designated fund

Donation received in cash or in kind specifically for depreciable fixed assets are recognised as designated fund. Such funds are recognised as income ratably over the useful life of the related asset.

Mid-day meal fund

Food grains and subsidies received from governments and government bodies and donations received in cash towards mid-day meal scheme are recognised as mid-day meal fund.

General fund

General fund represents the amount of accumulated income over expenditure / expenditure over income of the Trust.

Voting power

All the trustees of the Trust are entitled to one vote each.

Dissolution

The trust deed requires that, in the event of dissolution of the Trust, the assets remaining as on the date of dissolution shall be transferred to another charitable trust whose objects are similar to those of the Trust and which enjoys recognition under section 80G of the Income Tax Act, 1961 of India. The assets remaining on the date of dissolution shall under no circumstance be distributed among the trustees or the managing committee.

2.12 Related party 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. List of Trusts having common trustees is as follows:

- International Society for Krishna Consciousness (ISKCON-Bangalore)
- ISKCON Charities
- India Heritage Foundation (IHF)

Goloka Seva Trust (GST)
Sankirtan Seva Trust (SST)
Hare Krishna Movement (HKM)
Sri Radha Gopinath Seva Trust (SRGST)
Basics Foundation
Eco Agri Research Foundation (EARF)
The Akshaya Patra Foundation Inc., USA (TAPF Inc.)

b. The following is a summary of transactions by the trust with related parties

Amount in Rs.

	Year ending March 31,	
	2010	2009
Corpus fund donations received:		
- ISKCON-Bangalore	961,000	8,439,000
- ISKCON Charities		2,400,000
- IHF		400,000
- SST	400,000	2,050,000
- HKM		50,000
		-
Cash donations received towards mid-day meal fund:		
- ISKCON-Bangalore	981,764	420,000
- ISKCON Charities	1,085,000	-
- TAPF Inc.	52,001,014	38,060,049
- SST	254,345	-
- HKM	754,214	-
Cash donations received towards fixed assets:		
- TAPF Inc.	798,252	8,855,122
Income from donations received in kind:		
- ISKCON-Bangalore	60,610	10,913
Rent and other expenses		
- ISKCON-Bangalore	3,630,154	
Cultural event expenses		
- ISKCON Charities		24,598
Purchase of provisions and groceries		
- Basics Foundation	-	16,307
- EARF	284,625	67,910
- HKM	4,698	-
Expenditure incurred on behalf of the Trust		
- ISKCON-Bangalore	9,079,242	5,944,670
- ISKCON Charities	-	1,972,805
- GST	9,388	48,255
- SST	51,520	51,546
- HKM	593,800	58,024
- EARF	-	3,800
- IHF	210,279	-
Expenditure incurred by the Trust on behalf of related parties:		
- ISKCON-Bangalore	1,246,273	163,629
- ISKCON Charities	103,337	783,191
- SST	-	191,685
- HKM	-	1,034,654
- Basics Foundation	6,220	75,262
- TAPF Inc.	380,950	-
Unsecured loans taken		
- HKM	3,037,419	-
Unsecured loans repaid		
- HKM	3,037,419	-
- SRGST	-	1,000,000

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. The balances receivable from and payable to related parties are as follows:

Amount in Rs.

	Year ending March 31,	
	2010	2009
Payables:		
- ISKCON-Bangalore	3,495,968	1,192,242
- ISKCON Charities	18,763	3,477,550
- GST	28,580	24,436
- SST	46,176	36,527
- EARF	-	21,110
- HKM	35,021	-
Prepayments and other Assets:		
- ISKCON-Bangalore	174,221	44,130
- ISKCON Charities	27,374	106,152
- GST		16,386
- SST	-	-
- HKM		508,962
- Basics Foundation	97,789	91,659

2.13 Operating leases

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 March 31, 2010 and 2009 is Rs 6,321,387 and Rs 3,731,370 respectively.

2.14 Other income

Amount in Rs.

	Year ending March 31,	
	2010	2009
Interest on deposits with banks	6,437,371	4,488,816
Cultural event receipts	61,000	1,007,550
Profit on sale of property, plant and equipment	-	564,361
Liabilities no longer required written back	303,528	219,168
Miscellaneous income*	2,062,552	1,921,627
Total	8,864,451	8,201,522

* Miscellaneous income primarily comprises of receipts from sale of scrap, bags and other waste materials.

2.15 Contractual commitments

The contractual commitments, net of advances for capital expenditure were Rs 34,540,385 and Rs 21,155,069, net of advances as of March 31, 2010 and March 31, 2009 respectively.

2.16 Contingencies

Outstanding Bank guarantee in respect of the guarantee given by bank in favour of others, secured by equivalent fixed deposit with bank was Rs 200,000 as on March 31, 2010 and Rs 200,000 as on March 31, 2009.

Dues not acknowledged as debt by the Trust is Rs 4,291,251 as on March 31, 2010 and NIL as on March 31, 2009.

The Trust has 4 facilities taken on rent-free basis from government bodies based on mutual verbal understanding.

NATH ASSOCIATES

Chartered Accountants

433/C, 5thCross, 7thBlock West,
Jaya Nagar, Bangalore - 560082
Ph 080 – 26765764 / 98805 95019
e-mail: bsmanjunathca@gmail.com
NA: ITFC : 31st July, 2010

CERTIFICATE

We have audited the accounts related to 'Foreign Contributions' receipts and utilization of THE AKSHAYA PATRA FOUNDATION, H.K. Hill, Chord Road, Rajajinagar, Bangalore – 560010, (a registered Charitable Trust and having FCRA Registration No.094421037) for the year ending 31st March 2010 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. 24,720,239 ;

(ii) Foreign contribution of/worth Rs. 15,71,91,609 (including interest of Rs. 12,45,964) was received by the Trust during the year 2009-10;

(iii) the balance of unutilised foreign contribution with the Trust at the end of the year 31stMarch 2010 was Rs. 4,45,94,354;

(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: 31.07.2010

BS MANJUNATH
Membership No F 9743

The Akshaya Patra Foundation
H K Hill, Chord Road, Rajajinagar, Bangalore 560 010

Foreign Contribution

Receipts & Payments as at

FCRA Registration No: 094421037

Amount in Rs.

	Schedule	31 Mar 2010	31 Mar 2009
Opening Balance			
Investment in fixed deposit		21,115,535	
Balance with ICICI Bank		3,604,704	343,836
		<u>24,720,239</u>	<u>343,836</u>
Add : Receipts			
Donations received into foreign Contribution Account during the year	A	155,945,645	72,112,056
Interest on FD		1,245,964	151,091
		<u>181,911,848</u>	<u>72,606,983</u>
Less : Payments			
Welfare of Children :			
Mid day meals to children - Programme approved by National Committee Social & Economic Welfare			
Cost of Food Expenses	B	67,234,693	28,630,194
Administration Expenses	C	12,743,968	6,022,413
Distribution Expenses	D	2,014,946	1,272,206
Communication & Fund Raising Expenses	E	10,084,696	4,673,885
Other Programme Expenses	F	2,051,352	790,584
Loan repayment		4,043,150	-
Other Deposits & Advances	G	140,000	117,151
Fixed Assets - Infrastructure required for kitchen & distribution	H	39,004,689	6,380,311
		<u>137,317,494</u>	<u>47,886,744</u>
Closing Balance		<u>44,594,354</u>	<u>24,720,239</u>
Represented By			
Investment in fixed deposit		43,740,065	21,115,535
Balance with Bank		854,289	3,604,704
		<u>44,594,354</u>	<u>24,720,239</u>

The Schedules referred to above form an integral part of the Receipts & Payments Account

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

for **The Akshaya Patra Foundation**

B.S.Manjunath
Proprietor
Membership No. F9743

Chanchalpathi Dasa
Vice Chairman

Place : Bangalore
Date : 31st July 2010

Place : Bangalore
Date : 31st July 2010

Schedules to the receipts and payments account

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Receipts:		
Schedule A - Donations received through foreign Contribution Account during the year		
Donations received from		
United States of America	95,845,875	63,414,469
Hong Kong	1,834,069	3,874,570
India	2,751,320	4,567,065
United Kingdom	53,270,065	88,011
Australia	-	68,007
Singapore	2,233,516	-
Others	10,800	99,934
	<u>155,945,645</u>	<u>72,112,056</u>
Payments:		
Schedule B - Cost of Food Expenses		
Provisions and groceries	57,226,724	26,524,522
Fuel	2,864,761	779,447
Kitchen maintenance	211,588	480,741
Salaries, wages and bonus	6,233,969	118,516
Power and lighting	-	117,493
Water	17,890	126,290
Other kitchen related expenses	679,761	483,185
	<u>67,234,693</u>	<u>28,630,194</u>
Schedule C - Administration Expenses		
Salaries, wages and bonus	1,797,855	669,343
Contributions to provident fund	4,125,421	3,187,815
Security charges	183,229	122,820
Repairs and maintenance	-	22,799
Travelling and conveyance	-	199,693
Professional charges	2,254,327	798,980
Communication Expenses	263,955	188,470
Printing & stationery	156,746	136,620
Rent	30,333	309,632
Interest and bank charges	146,549	14,032
Insurance	1,222,318	211,626
Computer maintenance	155,772	34,950
Miscellaneous expenses	2,407,463	125,633
	<u>12,743,968</u>	<u>6,022,413</u>
Schedule D - Distribution expenses		
Salaries, wages and bonus	-	24,508
Vehicle hire charges	600,000	38,213
Fuel charges	696,894	685,599
Contract driver expenses	-	62,604
Vehicle maintenance	718,052	418,612
Insurance	-	10,645
Rates and taxes	-	32,025
	<u>2,014,946</u>	<u>1,272,206</u>

Schedules to the receipts and payments account (contd.)

Amount in Rs.

	Year ended 31 March 2010	Year ended 31 March 2009
Schedule E - Communication & Fund Raising Expenses		
Marketing and public relations	7,325,715	4,115,405
Salaries, wages and bonus	2,666,026	155,077
Rent	92,955	92,325
Cultural event expenses	-	311,078
	<u>10,084,696</u>	<u>4,673,885</u>
Schedule F - Other Programme Expenses		
Consultancy Charges	2,025,006	790,584
Travelling & Conveyance	26,346	-
	<u>2,051,352</u>	<u>790,584</u>
Schedule G - Other Deposits & Advances		
Deposits	140,000	-
Loans and advances	-	117,151
	<u>140,000</u>	<u>117,151</u>
Schedule H - Purchase of fixed assets		
Buildings	7,944,102	105,122
Computer equipments	867,192	263,435
Distribution vessels	6,398,181	1,633,476
Furniture and fixtures	44,297	63,981
Kitchen and related equipment	9,913,152	1,562,600
Office equipments	41,203	66,100
Vehicles	13,796,562	2,685,597
	<u>39,004,689</u>	<u>6,380,311</u>

Akshaya Patra Foundation
H K Hill, Chord Road, Rajajinagar, Bangalore 560 010
Foreign Contribution

FCRA Registration No: 094421037

Balance Sheet as on

Amount in Rs.

	Schedule	31 Mar 2010	31 Mar 2009
Sources of Funds			
Asset Fund		114,070,448	75,065,759
General Fund		44,734,354	24,837,390
		158,804,802	99,903,149
Application of Funds			
Fixed Assets	A		
Opening Balance		75,065,759	68,685,448
Additions during the year		39,004,689	6,380,311
		114,070,448	75,065,759
Other Advances		140,000	117,151
Investment in fixed deposit		43,740,065	21,115,535
Balance with Bank		854,289	3,604,704
		158,804,802	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 **The Akshaya Patra Foundation**

For **Nath Associates**

Chartered Accountants

B.S.Manjunath
Proprietor
 Membership No. F9743

Chanchalapathi Dasa
Vice Chairman

Place : Bangalore
 Date : 31st July 2010

Place : Bangalore
 Date : 31st July 2010








Schedule to the Balance Sheet

Schedule A - Fixed Assets








Amount in Rs.

Assets	As at 1 April 2009	Additions	Deductions	As at 31 March 2010
Land	-	-	-	-
Buildings	21,746,045	7,944,102	-	29,690,147
Leasehold improvements	-	-	-	-
Kitchen and related equipment	17,597,981	9,913,152	-	27,511,133
Office equipments	139,940	41,203	-	181,143
Computer equipments	530,938	867,192	-	1,398,130
Furniture and fixtures	429,726	44,297	-	474,023
Vehicles	17,385,906	13,796,562	-	31,182,468
Distribution vessels	17,235,223	6,398,181	-	23,633,404
Total	75,065,759	39,004,689	-	114,070,448

Details of Locations and their respective Unit Heads & Auditors

Sl No	Name of Unit President	Unit Location	Address	Land Line	Branch Auditors
1	 Nandanandana Dasa	HK Hill	Hare Krishna Hill Chord Road, Rajajinagar Bangalore-560 010	080-23471956	B.K Ramadhyani & Co
		VK Hill	8th Mile Doddakallasandra Village Kanakapura Rd., Bangalore-560 062	080-23471956	Nath Associates
2	 Rajeev Lochana Dasa	Hubli	Behind KSFC Office, P.B Road Rayapur, Dharwad-680009	0836-2350855	Neelakari Mendrakar Associates
3	 Karunya Sagar Dasa	Mangalore	C/O ISKCON, Arya Samaj Road Balamatta Mangalore-575003	0824-2410722	Bhat Sharma & Associates
4	 Jai Chaitanya Dasa	Mysore	18th Cross, Sy.No.31 Jayanagar Mysore-570014	0821-2500582	Loknath & Co.
5	 Yudhistra Krishna Dasa	Bellary	Sandur Bellary Road Shankar Gudda Colony Torongallu Bellary District-583275	0839-5250653	Badri & Co.
6	 Suvyakta Narasimha Dasa	Vrindavan	Chhatikara Road Vrindavan, Mathura District Uttar Pradesh-281121	0565-2600541	G.P.Gupta & Co.
		New Delhi	Community Centre,Village Rewla Khanapur,Najafgarh New Delhi-110043	0565-2600541	Bansal & Co.
7	 Ratnangada Govinda Dasa	Jaipur	Esti Hostel Building, Behind OTS Jhalana Institute Area, Jhalana Doongri, Jaipur-302004	0141-2707947	Jain Paras Bilala & Co.
		Baran	Irrigation Colony SICHAJ Vibagh Bhawargad Baran	0141-2707947	Abhinav Jain & Associates

Details of Locations and their respective Unit Heads & Auditors

SI No	Name of Unit President	Unit Location	Address	Land Line	Branch Auditors
8	 Jaganmohan Krishna Dasa	Ahmedabad	B / 152-53, Sector-25, Gidc Gandhinagar - 382044 Ahmedabad, Gujarat	0796-5411105	Mehta Sheth & Associates
		Vadodara	Plot No. 42, Nr. Citizen Society Opp. Sevashram Society Harinagar Water Tank I Vadodara, 392 023	0796-5411105	K.C.Mehta & Co
		Nathdwara	Samudayik Bhavan, NH-8 Upalioden, Nathadwara Dist Rajasmand, Rajasthan PIN : 313001.	0796-5411105	Vyas Bhatia & Company,
9	 Achyuta Krishna Dasa	Puri	Balagandi, Grand Road Puri - 750001, Orissa	0675-2224243	Paty Sar & Associates
		Nayagarh	Bhapur Block, Nayagarh - 752063, Orissa	0675-2224243	Paty Sar & Associates
10	 Vyomapada Dasa	Bhilai	Old Dairy Building, Behind Gurudwara, Sector - 6, Bhilai - 490006, Chattisgarh	0788-2223699	MRPL & CO.
11	 Stoka Krishna Dasa	Chennai	C/o Hare Krishna Movement No. 63, 1st Seaward Road, Valmiki Nagar Thiruvamnyur, Chennai - 41	044-24455100	
12	 Lakshmikanth Dasa	Hyderabad	#12, Phase-3, Near ESI Hosp IDA, Patancheruvu – 502319	0815-524633	EC & Associates
13	 Dr. Niskinchana Bhaktha Dasa	Vishakapatnam	Door No.26/14, Near R.K.Hospital, Behind Bank of Maharashtra, Chaitanya Nagar Chinnagantayada, Gajuvaka Vishakapatnam - 530036	0891-2546442	P.V.S.P Kumar & Associates
14	 Janardhana Dasa	Guwahati	Village Numalijula, Mouza Sila, Siduri Gopha N.H - 31, Amingaoan Guwahati - 781031	0361-2680010	Sampat Jain & Associates

One hot meal, might not be much.
And we know for sure,
that one hot meal is not enough.

But it goes a long way,
in bringing millions of Indian children
back to school.

That one hot meal,
helps us retain these children in school.
Helps them secure their future, themselves.

That one hot meal
makes them capable and independent.
Helps them contribute, in turn, to society.

The more of these meals we provide,
the more futures we secure.
The more generations we save.

It's just one hot meal.
But it can do much.
Much more than you or I can imagine.

The Akshaya Patra Foundation,
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