

2017

ANNUAL REPORT



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November, 2017

ORGANISATION AT A GLANCE

Society Registration : Society Act XXI of 1860; Registration No. S/15240

FCRA : Section 6 (1) (a) of the Foreign Contribution (Regulation)
Act 1976 (FCRA Reg. No. 231650722)

Vision : To create Sustainable Livelihoods at Scale

Mission : Build capacities, incubate business models and
manage processes to create economic, social and
environmental value on a large scale

Society for Technology and Action for Rural Advancement

B-32, Tara Crescent, Outub Institutional Area

New Delhi 110 016

Website: www.tara.in

Design & Layout : Pritam Poddar

Photographs : TARA

Contents

MESSAGE FROM THE CHAIRMAN 4

PARTNERSHIPS 6

HIGHLIGHTS 7

FOCUS 2016-17 8

- a. Product Development
- b. Sustainable Enterprise
- c. Capacity Building
- d. Development Management
- e. Business Affiliates

COMPLIANCE 29

- a. Board of Directors
- b. Auditors' Report



"Rapid transition to a greener, more equitable economy and society needs pragmatic and effective institutions for innovation, incubation, implementation and impact. Market-based enterprises with a social purpose, "development ventures" or "social enterprises" are now becoming not just imperative but also acceptable. Designed right, they can generate enormous synergies for economic prosperity and ecosystem productivity".

Chairman's Message

Recent initiatives in India and elsewhere have increasingly sought to bring about a more sustainable future. In a wide variety of geographies, sectors and approaches, by groups ranging from large global organizations to small local voluntary groups, an explosion of innovative ideas is emerging that are intended by their originators to "make the world a better place". Yet, only a few have grown to a level where that difference is more than a tiny scratch in the surface of the problems they seek to address. Given the magnitude and urgency of the inequities and threats we face – extreme poverty and hunger, climate change, species extinction and loss of productive resources such as soil, water and biodiversity -- what we now need is Speed and Scale in our solutions.

The Development Alternatives Group has worked for thirty-five years on a wide range of issues and has evolved many ways that can deliver valuable results, but to achieve the speed and scale we dream of needs a more ambitious approach, one that brings together the different initiatives into a systemic, integrated framework which garners the synergies and mutual reinforcement which are necessary for any set of solutions to become self-propelling. Technology and

Action for Rural Advancement (TARA) is the incubation engine of the Development Alternatives Group. It promotes micro enterprise based green business solutions, manages a broad spectrum of community development processes and invests heavily in capacity building of youth, women and development practitioners to address economic, environmental and social challenges faced by the poor. Its work spans the areas of Energy, Water, Sanitation and Hygiene, Affordable Housing, Recycling and Livelihood Support Systems. Its strategy is to build up the techno-entrepreneurial base in the country side, which it does through its initiatives such as TARA Urja, Indian Microenterprise Development Foundation (IMEDF) and various projects sponsored by ministries, corporates and foundations.

During the past year, TARA has also promoted and set up a purely commercial entity, TARAlife Sustainability Solutions Pvt Ltd (TARAlife) to act as a holding company which in turn sets up special purpose companies for massively scaling up the work of the DA Group in creating sustainable livelihoods and delivering basic needs products and services. TARAlife is currently raising equity finance to invest in the facilities and personnel needed to rapidly scale up the impacts that have already been demonstrated by the DA Group to be possible in the field.

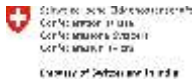
The subsidiaries of TARAlife work together to bring aspirational and transformative products and services into the village economy (TARAbazaar); take products manufactured in the village out to urban and international markets (TARAGram); provide local physical platforms for aggregating these activities (TARAhubs); impart job-related skill training for accessing jobs (TARA Livelihood Academy) and manufacture and market technologies for rural enterprises (TARA Machines).

Together, all these activities of TARA will, we believe, distinctly raise the bar for rapid, large-scale transformation of fragile economies and ecosystems, which will be relevant not just for India's countryside, but well beyond, throughout the global South.



Dr. Ashok Khosla
Chairman

Partners and Collaborators



Empowered lives.
Resilient nations.

HIGHLIGHTS

Livelihood Generation



7500+ individuals
Imparted livelihood training through various packages of skills to livelihoods, literacy to self-reliance, skilling of supply chains

Energy Driven Change



4,000 households (20,000 individuals) provided access to energy

500 local business strengthened

160 acre of land irrigated through solar based models benefitting 160 farmers

Behavior Change in WASH and Energy



15,000+ individuals outreached through WASH and energy awareness campaigns

10 knowledge products on Swachh Roads, hospital, Schools and Technology compendium for toilet, under the Swachh Bharat Abhiyan campaign of Govt. of India

Women at the Forefront



5135 women and girls informed about employability and entrepreneurship through the bridging information gap session in schools and communities

Waste to Wealth



37 enterprises waste to wealth strengthened through capacity building

low cost pellet manufacturing technology market validated.

Capacity Building of 11 women weavers on TARAlooms



PRODUCT DEVELOPMENT

TARA develops and customizes ecologically efficient and economically viable solutions to meet basic needs and address environmental challenges with particular emphasis on clean technology. These packages are tested at pilot and commercial scale to establish viability of the developed products and technologies. These are developed mainly for micro, small and medium enterprises as well as for community groups. The focus for community groups and networks is to enhance incomes through livelihood opportunities. In the year 2016-2017, TARA has also started working with large companies to develop customized solutions to utilize wastes and transform them into useful and marketable products.

To fast track the adoption and scaling up of developed technologies and products, substantial emphasis is also given to research initiatives that support favorable policy and ensures regulatory measures at various levels e.g. at municipal, city, state, federal. The Product Development team also places a large emphasis on consultancy and technology transfer services of technologies for commercial business units and also to various countries especially in Africa and South East Asia.

Work on Product Development covers 4 functional areas e.g. Green Building Materials, Waste Utilization, Water Solutions and Clean Energy Services. It is supported by an array of labs, workshops, design studios and pilot production facilities.

KEY INITIATIVES

Limestone calcined clay cement (LC3): The overall goal of the Limestone Calcined Clay Cement (LC3) project is to recognize LC3 as a cement suitable for general construction and to initiate measures for establishment in the market as a mainstream cement type.

In accordance with the strategy of establishing scientific excellence, the initial focus of the project has been on liaison and setting-up of working relations with academic institutions e.g. Indian Institute of Technology at Delhi, Madras, Bombay and Ecole Polytechnique Federale De Lausanne at Switzerland. Continuing with the strategy of supporting large companies, agreements have been signed with JK Lakshmi Cements Ltd, Dalmia Bharat Cements Ltd., Holcim Cements, Heidelberg Cements and SCG (Thailand) also for application oriented research.

Numerous discussions and demonstration trials with cement companies have repeatedly shown, that the sector is confident of LC3 potential as a low-carbon alternative to conventional cement. The advantages of LC3 with respect to resource efficiency and projected cost performance are strong points of interest to companies.

EcoKiln technology transfer to Malawi: Building materials in Malawi form an important value chain that offers immense potential for generating income and employment while offering environmental damage mitigation and resource efficiency co-benefits to the country.

TARA conducted a market assessment of EcoKiln technology in six cities of Malawi including a value chain analysis. It was determined that there is a need for close to 600 2-shaft kilns to be set up to meet the demand of bricks in Malawi by 2021.



A key milestone in 2016-2017 is the engagement of TARA with a large cement company i.e. JK Lakshmi Cements Ltd. Jhajjar, Haryana. The cement plant dedicated their entire facilities for a day for trial production of Limestone Calcined Clay Cement. Various formulation trials were conducted at a lab scale to be doubly sure about the cement quality before actual production takes place. A continuous quality control approach ensured that the process goes as per the plant standards. A total quantity of around 300 tonnes of LC3 was produced with satisfactory quality.

The LC3 obtained was used to manufacture various building materials like solid and hollow concrete blocks, low duty pavers, roofing tiles, Pre-fab building elements and to make road. Performance of LC3 in products are comparable to that of conventional cements.

The 4-shaft EcoKiln in Malawi has successfully been producing good quality burnt clay bricks and quality is continuously being monitored.

A specific energy consumption of around 0.60 MJ/kg of fired bricks makes it the most energy efficient burnt clay brick producing technology in the Africa.

Ponded Ash & Marble Sludge bricks: The raw materials used in this innovative product are coarse ponded ash from thermal power plants and waste materials such as marble sludge derived from the cutting and polishing of marbles especially found in Rajasthan. TARA has applied for a provisional patent to secure the intellectual content of our work on mixes and production techniques for these bricks.

The bricks developed, have an engineered strength ranging between 50–75 kg/cm². These can be used as common building materials for load and non-load bearing structures.

Construction and Demolition waste: During the period 2016-17 TARA team worked with a commercial company, Amdavad Enviro Projects Limited at Ahmedabad for commercial trials on production of high quality paving blocks from processed construction and demolition waste. The quality was satisfactory and the TARA team was able to produce M40 and M50 grade paving block with 100% replacement of natural aggregates in commercial scale.

Utilization of Foundry slag in paving blocks: The raw materials used in these innovative blocks are crushed slag in the form of aggregates of various sizes, ordinary portland cement and either sand or manufactured sand whichever is available at a cheaper price. Technical support and enterprise development

services provided by TARA have resulted in the operation of 12 enterprises across north and central India. All of these are operating as profitable businesses.

Knowledge Assets

TARA conducts collaborative research with national/international premier institutions in the functional areas for product and technology development. The R&D and application work have been published in scientific journals and also presented in international and national conferences for enhancing visibility and knowledge dissemination. During 2016-2017, 4 scientific papers were published in peer reviewed journals. More than 30 papers and posters were presented in national and International conferences and 2 patents are being formulated.



HIGHLIGHTS

Some of the key highlights of 2016-2017 are as follows:

Technologies for resource efficiency: Three technologies e.g. Limestone Calcined Clay Cement, Foundry Slag Waste and Construction and Demolition waste have been developed and tested under commercial conditions. They are ready for scaling out across the country.

International footprint: The success of the EcoKiln technology in Malawi in terms of emission efficiencies has attracted the attention of a large number of entrepreneurs in the country and also the federal Government. Various countries in and around Malawi which have similar burnt brick production systems have expressed interest in adopting for their country. This is an extremely positive step towards increasing the African footprint.

Networks and Partnerships: During the year 2016-2017 industrial partnerships have been established with five companies on undertaking research on cement and cementitious materials. They are JK Lakshmi Cements Ltd., Dalmia Bharat Cements Limited, JK Cements Limited, KJS Concrete Ghaziabad and Supertech Limited, Noida.



WAY FORWARD

The year 2016-2017 has created the confidence amongst various stakeholders on the ability of TARA to deliver creative and focussed solutions to reduce the carbon footprint. The focus of Product Development will be to consolidate the base created and explore resource efficiency into the technological solutions developed and provided.

Increased focus of TARA through the Product Development work will be to create visibility amongst the medium to large companies and provide them turnkey solutions to improve their bottom lines. This will be to work with them in re-using their waste being generated in the process providing a profitable solutions. Thus the mentality of waste will be transformed into wealth.

TARA will continue in its increased emphasis to explore the international technology transfer market in Africa and Asia. This will help in improved bottom lines and ability to create flexible operations in un-tapped areas.



SUSTAINABLE ENTERPRISE

TARA creates green and inclusive business models for micro and small enterprises and self-employment opportunities for communities through the following three streams:

Enterprise Development and Cluster Development: TARA provides enterprise support services such as knowledge and capacity building supports, access to credit, access to technology packaging, and marketing and management support. It is also engaged in Cluster Development (CD) & Value Chain development (VCD) in the sectors of agriculture, WASH, RE based business models, Waste to Wealth and rural services.

Last Mile Delivery: This vertical aims at creating doorstep access to, and demand for, basic need products and services through innovative delivery models and social marketing activities respectively. Such services and products are made available to the last mile i.e. the base of the pyramid population through a network of microfranchises and/or decentralized production units.

Incubation of Business Models: This vertical develops business models for products and technologies developed for rural markets. These products could be developed either by TARA or other organizations looking to enter the market. The portfolio of services offered fall into two categories (Enterprise Packaging (Product/Technology Customization and Business Model development); and Market Validation of Enterprise Packages (Value chain analysis and Test Marketing).

KEY INITIATIVES

Innovation Science and Technology based Entrepreneurship Development (i-STED): This project aims at promoting entrepreneurship opportunities through application of innovative and eco-friendly technology based solutions. The i-STED initiative has a two fold objective of supporting 150 waste to wealth enterprises (in the building materials, paper recycling and processed fuel sectors) through provision of enterprise support services across technology, finance, market & capacity building and creation of a support service vehicle delivering these services at scale. Under this project, 8 enterprises have been setup, 37 enterprises strengthened through capacity building, 2 technology partnerships have been established and the project has paved the way for validation of low cost pellet manufacturing technology.

Smart Power for Rural Development (SPRD)-India, Load Development Project: The CELAMED initiative began in 2015 under Smart Power for Rural Development (SPRD) by Smart Power India. The project sought to provide load development services to different ESCOs across 60 sites in Uttar Pradesh and Bihar. The objective of the project is to provide access of clean energy and to promote productive load through micro-enterprises, thereby contributing to local economic development. This project works around areas of CT, BNF, ED and EMP. Under this project, 31 new enterprises have been setup and 360 commercial loads enhanced. 200 entrepreneurs, 2 NGOs and 1 social marketing agency have benefited from the capacity building initiatives taken under this project. Alongside, 8 knowledge products and 3 training manuals have been developed as part of the project.



Siya Ram Pandey, a third generation carpenter in Bheldi village of Bihar, runs a carpentry unit called 'Shree Vishwakarma Saw mill'. His aspiration to own a furniture shop has been fueling him for the past nine years to build a brand for his enterprise among other carpentry units in his village. Given an opportunity by TARA to move out of the laborious routine, he decided to take up TARA's support for business expansion and decided to install a combi-planar machine with TARA's support. Rs. 20,000 of the technology cost was bundled in the tariff package to reduce the risk and financial burden. In this innovative consumer financing mechanism, he pays a base tariff of Rs. 6,000 (for 65 units), which includes his remaining instalment and electricity cost. The newly added combi-planar helps him complete five orders a day as compared to three. His revenues have now increased by 22%, helping him expand his work force by two more people.

Piloting Centre of Excellence (CoE) Model for Skilling Girls & Women: This TARA - UNDP initiative aims to expand opportunities for women entrepreneurship through a comprehensive model comprising of information access, skill building and access to enterprise services. Herein, TARA caters to the need of the women entrepreneurs at three levels; pre-training awareness, training to impart entrepreneurial skills and post-training hand holding support.

In the last 6 months information gap has been bridged for over 1500 women, training has been imparted to 180 potential entrepreneurs and over 20 women have setup their enterprises. Women have setup innovative enterprises such as data center, printing units and even tiffin service units in contrast to traditional home-based enterprises.



One such enterprise is the 'Data Center' setup at Hauz Rani, by five young entrepreneurs (all in age bracket of 19-23) Kavita, Poonam, Gauri, Pooja and Sarita. Their center has been in operation for three months now and earning INR 3,000-4,000 per month. Their clientele includes companies, schools and colleges nearby which deal with large databases and desire to outsource the data entry service. In near future they plan on expanding their business by connecting with more companies.

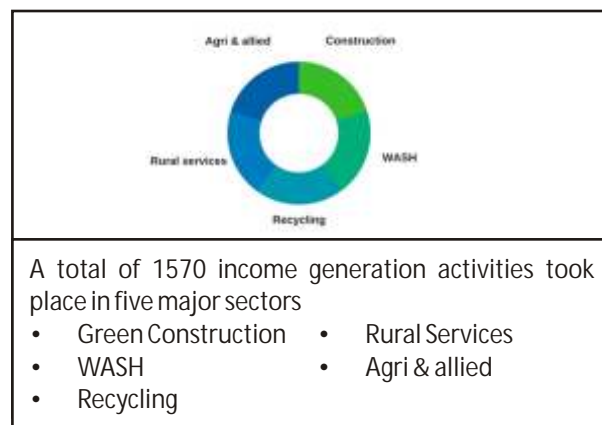
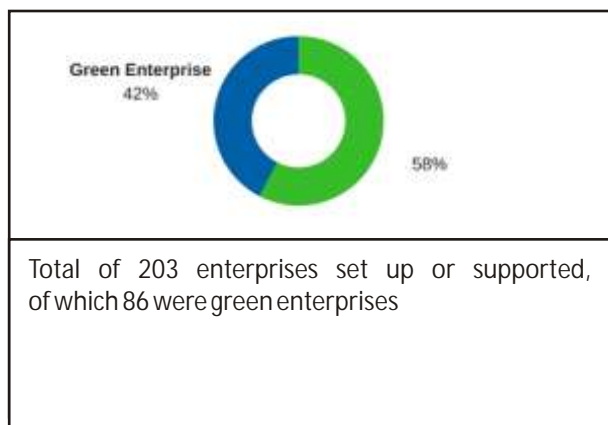
Antenna Technologies - Scaling up safe water: The objective of the project is to scale up the provision of safe drinking water to the BoP using Aqua+. This project works primarily in the area of BNF. While implementing the project, various strategies have been tested out like the Micro franchise model. Additionally, various social marketing and monitoring and evaluation toolkits have been developed as part of the project. Based on the success of the first phase of the project TARA has also spawned-off a for-profit company called TARAlife Sustainability Solutions Pvt. Ltd. to scale the Aqua+ business in India.

Development of Integrated Energy and Revenue Management System: Millennium Alliance Awards was awarded to TARA for research and development of Integrated Energy and Revenue Management System. This project focuses on the area of CT. As part of the project IERMS v2.5 and v3.0 were developed and the technology was deployed at pilot sites.

One of the major initiatives in this year has been the formation and incubation of 4 Farmer Producer Organisations (FPOs) for product based cluster development and expanding the scope of current MeD to include a broad spectrum of businesses in light of new opportunities emerging from ground, rural services and green construction are the major sectors that are emerging.

Tafgard Technology / Taisei Soil System (TSS) – Prototype validation: TSS is a decentralized wastewater treatment technology developed and manufactured in Japan by Taisei Kogyo Co. Ltd. that treats biological effluent from toilets. The technology is environmentally friendly (i.e. zero discharge) and among its many benefits are that it has a high treatment capacity, is low cost and easy to maintain. The goal of this project is to evaluate the feasibility of the Taisei Soil System (TSS) Technology for India.

HIGHLIGHTS



Rs. 12.83 crore was invested in the economy by entrepreneurs, influencing a turnover of Rs. 6 crore. These enterprises created 640 green and 109 non-green jobs within the local community, generating a total income of Rs. 4.05 crore. In total, over 3,552 entrepreneurs were reached out to in one year.

WAY FORWARD

In the coming year, TARA aims for convergence of multiple expertises. This requires strategic partnerships for project design and implementation. Alongside the existing partnerships with various Implementing Agencies, Corporates, Foundations, Technology partners, Financial Institutions and government bodies, there is also a ready pipeline of partnerships that are going to be established in the coming days.

TARA aims to work in strategic geographical clusters for action. With geographical intervention in clusters of Eastern UP, Bihar, Bundelkhand and Delhi NCR, DA group is committed to set-up and support 500 enterprises.

Incubation of an enterprise support engine has also been initiated as commercial special purpose vehicle (IMEDF). IMEDF will provide entrepreneurs and businesses support services for technical support, financial assistance, market access and building capacities. We will productize our services by developing and testing digital enterprise service tools, financial packages and business models, and demand creation standard packages for basic needs. India Micro Enterprise Development Foundation (IMEDF), the social enterprise development vehicle engine, has been empanelled as a Nodal Agency (NA) under the Revamped Scheme of Fund for Regeneration of Traditional Industries (SFURTI) of the Ministry of Micro, Small and Medium Enterprises (MSME). Presently TARA is also the Technical Agency (TA) for Zari Jooti making cluster in Hissar and handmade paper cluster in Kalpi.



CAPACITY BUILDING

"Innovates and incubates capacity building solutions to enhance knowledge and skills by enabling implementation for scale"

Our work includes knowledge packaging, designing training modules and capacity building programmes. The capacity building programmes are based on demand-led packages that include "literacy to self-reliance", "skills to livelihood", "skilling supply chains" and "bridging information gap" etc.

Major streams of activity in the capacity building domain are:

1. Developing and Disseminating Knowledge & Information – Capacity building of numerous target individuals/ groups through packaged knowledge on thematic groups.
2. Designing Capacity Building Models – in order to integrate skill development with thematic focus.
3. Implementation
 - Capacity building for individuals – The driver has been through 80G, working in sectors like BFSI, transport and logistics and FMCG etc.
 - Capacity building for groups, organizations and networks – done with umbrella/apex organizations.

KEY INITIATIVES

- A. IEC materials are effective means of disseminating relevant information to the target population
Infotainment pen drive – Informational messages along with entertaining songs were packaged for wider use in the truck driver community. Messages on road safety, personal hygiene, alcoholism and 20 Bollywood songs are put together in a pen drive. This infotainment drive has been distributed to truck drivers under the Maersk Group project. Plug and play media – To ensure effective delivery and standardization in the information, a plug and play movie has been designed.
- B. Educational games have been designed to connect with the target groups in an engaging manner that allows fun and learning together
 1. Pass the Parcel for Traffic rules – This game is designed with a slight modification to the original pass the parcel game. A parcel with traffic signs (instead of punishments or dare) is rotated with music. Once the music stops, the person holding the parcel has to tell the meaning for the traffic sign. This was conceptualized for truck drivers and helpers as a part of the capacity building intervention. This educational game was first piloted in Maersk and replicated in HUL Hassangarh project. It has been used with truck drivers and helpers through Maersk and HUL Hassangarh projects. The same will be replicated in Maersk phase II for 1200 target group.
 2. Memory game for WASH – To drive home the point of personal hygiene and sanitation, a memory game was designed on the 8 steps used for hand washing. The game can be played in several ways after the steps are



Hina Bangre, now an entrepreneur, lives with her husband in Chhindwara, Madhya Pradesh. She has four sisters, two brothers and their father is a laborer. Due to the economic difficulties of the family, she could not continue her studies after 10th and got married at the age of 17.

After some time, her husband began to work in a company in Chhindwara while Hina used to carry out minor sewing activities at her home. She came to know about the Fullerton India and TARA vocational training program for Sewing Machine Operator and registered for it. The program provided her employment and life skills training. Hina has been able to discover herself and owns her success to TARA. She practices sewing and makes ready made garments, working with a number of other women too. The household income has been enhanced by INR 4,500.

explained in the presentation. Firstly, the target audience is divided into 8 smaller groups and each group is randomly asked the action to be practiced at say, 5th stage. Second way to play the game is by individually asking group members the steps at a particular stage. This game has been piloted under Maersk Group project for capacity building of truck drivers. This has been replicated in capacity building programmes for several stakeholders, namely security guards, cleaning staff, truck driver, and contractual labourers at depot.



Sawai Singh, a 25 year-old youth from Jaisalmer, attributes his transition from an aimless youth to a focused professional to GURUKUL Career Academy Jodhpur. He joined in 2016 for a 35 days course of skill development, wherein he was imparted knowledge on Banking & Finance, basic computer skills, spoken English and personality development. Showing much dedication, after the final assessment he was taken as the Investment Relationship Officer by Fullerton Credit Company Ltd and was placed at Udaipur with a salary of INR 10,300. He not only learned the skills for job, but also for life, in the residential set up of GURUKUL career Academy Jodhpur.

- C. Standard Operating Procedure (SOP) deck for two new kinds of projects (UNDP & Maersk) that involve conducting capacity building events have been designed and validated. The SOPs are designed to bring in standardization and reduce the dependency on any one individual.
- D. Training modules were developed for conducting interventions and programmes under Maersk, HUL Hassangarh, FICCL Gurukul etc. These are modules on retail trainee associate, assistant beauty therapist, financial literacy, road safety, waste management, personal hygiene, importance of continued education, prevention from seasonal diseases etc.
- E. Knowledge products on the themes of Renewable Energy and WASH have been created in this year. The knowledge products on WASH have been produced under the Swachh Bharat Abhiyan and the same are uploaded on the website of Ministry of Drinking water and Sanitation. The renewable energy toolkit is prepared for replication of the learnings under CELAMeD project.



HIGHLIGHTS

- 10 knowledge products on Swachh Roads, Swachh hospital, Swachh Schools, Technology compendium for toilet, under the Swachh Bharat Abhiyan campaign of Govt. of India
- Piloted the partnership with HUL Pureit for capacity building of existing technicians of HUL
- 7287 individuals imparted livelihood training through various packages of skills to livelihoods, literacy to self-reliance, skilling of supply chains
- 5135 women and girls informed about employability and entrepreneurship through the bridging information gap session in schools and communities
- 8 New partnerships formed with corporates, PSUs, bi-laterals and multi lateral organisations like HUL, UNDP, MAERSK Group, BORL etc.
- 1837 truck drivers and helpers impacted on WASHH and road safety through the skilling of supply chain programme
- Infotainment Pen Drives as training method, the new mechanism of imparting knowledge on various topics.



WAY FORWARD

While capacity building of individuals found a great traction in the last few years, in the coming year the capacity building domain (CBD) of Development Alternatives Group plans to create a wider impact and will move beyond capacity building of individuals.

CBD will focus on capacity building through knowledge and information development and dissemination and commits to innovate and incubate other effective capacity building models like radio, games, mobile apps and online portal.

For larger impact and scale, the domain will also focus on capacity building of groups and networks including corporates for effective use of CSR funds, partners of apex organisations etc. The aim is to impact over 2.5 lakhs people this year.



DEVELOPMENT MANAGEMENT

Development Management is a new area of work for TARA. It builds upon the achievements of the erstwhile Community Development Solutions domain. With the changing external demands and market trends, The Development Management team is now positioned as the anchor for CSR programme management & consultancy services of the Development Alternatives (DA) Group, with the intention of putting building blocks in place for delivery of programme management services.

Its mandate is to design & manage development programmes that create economic, social and environmental value on a large scale.

The Development Management team focuses on:

- Partner Engagement: Fostering associations with corporates, NGO's and technical support agencies to create an ever-growing network of partners that provide holistic profitable opportunities for all
- Solution Packaging: Creating solutions for our clients that create sustainable impact and generate revenue and resources for us by packaging essential services where our expertise lies
- Project Management: Managing and scaling of projects through our network of implementing partners by providing knowledge support, monitoring & evaluation assistance and technical expertise to deliver quality outputs that maximize impact

KEY INITIATIVES

Infrastructure Assets: 4 Production centers were set up across Uttarakhand and Madhya Pradesh. In addition, a Skill Development Centre was set-up in Uttarakhand, which can be leveraged in different forms for fulfilling both business and social objectives in the future.

Knowledge Assets: 16 Concepts (combination of rural & urban projects) were packaged around themes such as Access to Energy, Integrated Village Development, Women Empowerment, Skill Development and Waste Management. Besides, 2 toolkits were also developed – one each for Integrated Village Development and Skills to Livelihoods (in addition to the existing toolkits developed in 2015-16).

Networks & Partnerships: Network of 3 implementation partners – PANI, CREATE and Disha across Uttar Pradesh and Uttarakhand was strengthened / built, increasing the outreach to different project locations. 4 institutional partnerships were developed with VLCC, Fullerton, Max Life Insurance and Airtel Digital for employment generation.

Strategic Partnerships Formed/Established: Over the last one year while efforts were made to establish new partnerships, the domain experienced scaled up and strengthened partnership with some of the existing collaborations such as with HUL and BORL.

In case of HUL (Hindustan Unilever Limited), there was expansion to new geographies where existing programmes were replicated and further with scaled up opportunities, the domain experienced emergence of a new cluster in Uttarakhand. Similarly, with Godrej Interio, collaboration for creating a sustainable model village in Bhagwanpur (Uttarakhand) was initiated. This further strengthened



"My life became hell when my husband gave divorce to me and left me and my children alone just because my father could not meet the demands (dowry) of my husband but TARA gave me an opportunity to earn living for my family and myself", says Reshma Parveen. Reshma enrolled in the tailoring course being run by TARA and HUL at SDC, Haridwar on 29th August 2016 after her father told her about the courses being offered at SDC for women empowerment. After completion of the course, she borrowed some amount of money from her father to start a tailoring centre at kotdwar. She now makes around Rs. 500 per day through tailoring and is able to take care of her parents and children without depending on others for help. She is quite satisfied with her life and expressed her gratitude to TARA and HUL for providing her this opportunity to be independent.

domain's belief in the Haridwar belt becoming a cluster for the DA Group to create greater impacts.

Besides, with BORL (Bharat Oman Refineries Limited), the partnership continued in the form of Phase II of "Hariyali, Udyamita and Sampannata" (Sustainable Community Development) in Bina, Sagar district of Madhya Pradesh under the CSR mandate of BORL.

Tools and Systems Developed / Strengthened : Tools and systems were developed to maximize efficiency of resources to achieve desired objectives as well as for monitoring and evaluation of projects carried out throughout the year. Some of these tools were introduced in FY 15-16 and were strengthened in FY 16-17.

Under the SPI-LD (Smart Power India Load Development) project different tools like site assessment, weekly trackers and customer engagement were developed in order to monitor the progress of the project and also to plan the future course of action. The trackers and assessment sheet was also used for reporting to the clients. This helped the team to coordinate the progress in different geographies as the project has been implemented with various partners at various location.

Also various enterprise expansion packages were developed under the energy project, this helped in the process of community engagement, as the field executive communicated the similar product to different products (energy packages) in different geographies.

Knowledge Products Developed

"Skills to Livelihoods" Toolkit: The Development Management Domain developed the 'Skills to

Livelihoods' toolkit which can be useful to organizations which are looking for implementing similar kind of skill development programmes in different geographies. The toolkit contains training content (module in the form of a manual), trainee's kit, branding collaterals, mobilization tools, monthly and annual reporting formats, monitoring tools and systems.

"Hamari Urja" Toolkit: 'Hamari Urja' Toolkit is a useful package for implementing partners like other domains of TARA/ DA Group looking for a one stop solution for energy programme to be implemented with a community owned community operated energy projects. The toolkit contains project brief, formats & templates for planning & design (timeline, monitoring & reporting, branding prototypes etc.), implementation tools, communication & documentation tools and capitalisation document.



HIGHLIGHTS

- **Livelihood:** A total of 872 youth and women completed skill training under HUL, Godrej and BORL projects. 535 trainees out of 872 were linked to livelihood opportunities through employment or enterprise development
- **Energy Driven Change:**
 - 4,000 households (20,000 individuals) provided access to energy under the Smart Power India-Load Development (SPI-LD) programme. Also 500 local enterprises strengthened/ expanded under the same project providing better income generation opportunities to local youth
 - 160 acre of land irrigated through solar based models benefitting 160 farmers in different villages in TARAurja UP & Bihar and DESI sites under the SPI-LD Programme
- **Behaviour Change in WASH & Energy:** 200 children were made aware towards WASH activity under the Godrej – Interio project
- **Women at the Forefront:** 11 SHGs & CIGs (comprising of 100+ members) formed in Uttarakhand and Madhya Pradesh under the BORL-SCD (Sustainable Community Development) and Godrej Interio-SCD projects



WAY FORWARD

In 2017-18, the Development management team is looking at positioning itself as DA Group's CSR Management & Consultancy Service Provider. The aim will be to move from being just a programme management & implementation unit, to providing different service packages: Strategic Advisory Services, Programme Management Services and Technical Support Services.

The domain will work towards packaging of services for CSR, engaging with partners (funding, institutional) & developing a network of implementation partners, M&E partners, capacity building & other technical solution providers, and delivering services in the form of large/medium/small projects or programmes.

Some of the strategic priorities for the domain over the course of 2017-18 will be:

Position DA Group in the CSR consultancy space by capitalizing on the existing strengths and establishing long-term collaborations package DA Group's CSR services; tie-ups with Public / Private Corporations; workshops with a focus on Uttarakhand and Bundelkhand clusters. Develop Uttarakhand as a cluster scale-up and scale-out the CSR interventions in the Haridwar belt; form a taskforce for leveraging CSR funding.

BUSINESS AFFILIATES

Technology and Action for Rural Advancement (TARA) The mandate of TARA, which was set up in 1985, is to test, adapt and productionize the innovations of DA and make them ready for dissemination, primarily through market channels. TARA is registered as a Society and can carry out limited commercial activities, primarily in the domain of consultancy services.

TARA, in turn, has promoted a company under the Companies Act, named TARAlife Sustainability Solutions Pvt Ltd ("TARAlife") with the purpose of rapidly speeding and scaling up the dissemination of TARA-incubated technologies and solutions.

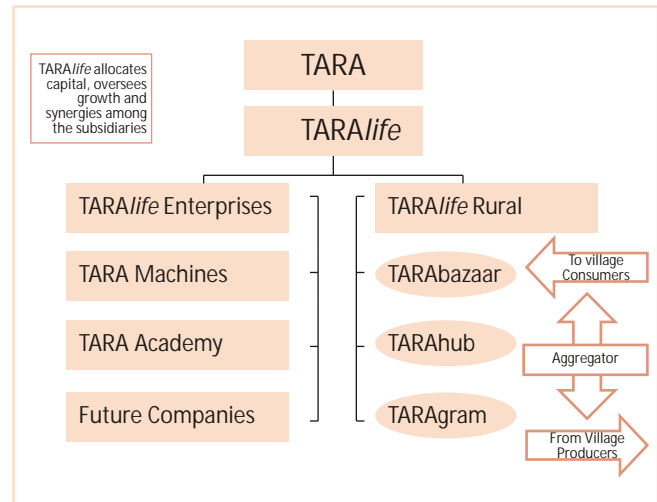
TARAlife is a holding company mandated to set up and support subsidiary companies and commercial units to create livelihoods in rural communities and to bring transformative products into the rural market. The equity capital of TARAlife is owned primarily by TARA and the balance by other commercial investors. The profits generated from the operations of TARAlife are used for distribution of dividends to the investors, enabling TARA to finance the innovation and other research activities of Development Alternatives.

TARAlife with its operating divisions and its subsidiaries is a group of companies set up to commercialize technologies, products and services that are proven in the market and have demonstrated a potential for scale. They function as independent bodies within the Development Alternatives Group, with experienced professional managers at the helm.

TARAlife has several subsidiary companies, including:

TARAhubs : Points of Presence TARAlife Rural's last-mile connectivity with village customers will be enabled by strategically located "TARA hubs" mini-malls where sale of incoming products and aggregation of exports will create a commercially viable marketplace.

The primary function of the TARAhub is to provide operating facilities for TARAbazaar, TARAGram, TARA Machines, TARA Livelihood Academy and other TARA companies. Space will also be rented to external partners for financial



services, IT and mobile repair services and such retail outlets as beauticians, tailoring, household appliances. The facility will be powered by a TARA Urja unit, a sister concern under the TARA umbrella, using solar and other renewable energy, ensuring reliable power for the facility and enabling the unit to sell its surplus power off-site to neighboring clients. TARA hubs will vary in size, the two primary types that are being targeted over the next five years being:

TARAbazaar: Delivery INTO the village

Despite growing aspirations, increasing purchasing power, and vast unmet needs, the village consumer is still largely underserved today. Remote, ill-connected markets are costly to service and most business models that rely on limited revenue streams cannot generate adequate revenues to cover these costs. TARAbazaar will deliver a wide range of “quality of life” products and services to village customers, thus reducing customer acquisition and distribution costs.

These products include a variety of basic-need fulfillment products, across water purification, devices for lighting and energy, preventive healthcare and clean cooking fuel. The average purchasing power per capita across the target geographies is INR 3,000 (approximately \$ 50) for non-food products. The products represent a mix of daily, weekly or monthly consumables, as well as one-off purchases.

TARAgam: Pick up from the village

TARAgam increases local incomes through marketing of value-added products made in local village production centers, using efficient technologies many of them supplied by TARA Companies to process local or recycled materials. TARAgam will establish production centers across UP, MP and Bihar, to make handmade paper and fabric and textiles out of recycled waste material, products from the paper and textiles, processed foods and traditional medicines, domestic products and other revenue generating activities.

Through this, TARAgam will continue to provide livelihood security for village communities, creating employment and home-based income generation opportunities for women organized in producer groups, as well as productivity





enhancement, quality assurance, value addition and aggregation services.

Sufficient revenue/value is always built into the value chain for each stakeholder of the supply chain making the total delivery system financially sustainable. By fulfilling basic needs and promoting livelihood security it will build an unmatched brand equity.

The 3 Pillars of TARALife's rural presence, the TARAhubs, TARAbazaar and TARAGram are, together, the key supports for the local community to generate a new and vibrant economy.

TARA Machines:

TARA Machines & Tech Services Pvt Ltd ("TARA Machines") develops and markets innovative green building and waste to wealth solutions for micro, small & medium enterprises. The USP of TARA Machines is the capacity to deliver total business solutions to green building material entrepreneurs and recycling enterprises, with strong focus on technical support, material and product testing, training and regular servicing. TARA Machines expects to establish over enterprises producing building materials in the next five years.

TARA Livelihood Academy (TLA):

TARA Livelihood Academy (TLA) provides training packages for empowerment, employability and entrepreneurship, with strong market linkages for livelihood fulfillment. For the TARAlife business ecosystem, TARA Livelihood Academy's Employability and Entrepreneurship training programs will supply skilled professionals for TARAGram, TARAbazaar and the TARAhubs. Till date, TLA has successfully built capacities of around 31,000 people from different categories, around 70% of whom have been successful in gaining sustainable livelihoods. Currently, a unit with turnover of INR 22 Mn (\$ 0.3 Mn), TLA is poised for a quantum jump in the next 5 years.

Other TARA Business Affiliates

TARA Urja, which has pioneered successful establishment and operation of “mini-grids” to deliver decentralized solar energy to village households and businesses in a commercially viable manner.

TARA Haat, which is the leading provider of literacy and numeracy skills for adults, particularly women, in rural India.





COMPLIANCE

BOARD OF DIRECTORS



Dr. Ashok Khosla
Chairperson
Development Alternatives Group

Members



Mr. B. Narayanaswamy
Consultant



Ms. Achla Savyasaachi
Head - State Initiatives
MFIN



Mr. Amitava Basu
Board Member
TARA



Mr. Rakesh Khanna
Advisor
TARA



Mr. Shrashtant Patara
Chief Executive Officer
TARA



Mr. George C. Varughese
President
Development Alternatives

AUDITORS' REPORT

Society for Technology and Action for Rural Advancement
 Balance Sheet as at 31 March 2017

	Schedule	As at 31 March 2017 ₹	As at 31 March 2016 ₹
Sources of funds			
Capital			
Capital paid	1	29,17,820	83,23,128
Loan fund			
Reserve fund	2	3,00,00,000	2,00,00,000
Liabilities and provisions			
Project cost, etc.	3	7,40,00,000	4,40,00,000
Current liabilities	4	7,40,00,000	40,00,000
Provisions	5	34,34,317	13,77,100
		<u>6,41,64,197</u>	<u>7,96,77,297</u>
Applications of funds			
Fixed assets	6	45,68,836	7,09,460
Deferred tax assets	7	69,11,362	25,36,836
Investments	8	3,66,79,249	3,03,54,156
Current assets, loans and advances			
Inventories	9		13,09,281
Ready debtors	10	5,03,486	13,86,334
Cash and bank balances	11	75,11,186	2,00,00,000
Other current assets	12		10,582
Loans and advances	13	77,27,653	1,70,19,361
		<u>1,60,27,374</u>	<u>1,47,35,354</u>
		<u>6,41,64,197</u>	<u>7,96,77,297</u>
Summary of significant accounting policies and notes to the financial statements	22		

This is the Balance Sheet submitted to the auditors on this date.

The schedule annexed to these financial statements forms part of the financial statements.

Walid Wazir & Associates
 The Walid Ghazizadeh & Associates
 Chartered accountants

Walid Wazir
 for Walid Wazir & Associates
 Partner

Shahid Khoso
 Assistant

For and on behalf of the Society for Technology and Action
 for Rural Advancement

Shahid Khoso
 Chairman, Finance
 City, New Delhi

Shahid Khoso
 City, New Delhi

Place: New Delhi
 Date: 17 October 2017

Society for Technology and Action for Rural Advancement
Income and Expenditure Account for the year ended 31 March 2017

	Schedule	Year ended 31 March 2017 ₹	Year ended 31 March 2016 ₹
Income			
Grants	3	12,16,50,363	98,01,82,990
Sales of goods	14	1,07,75,569	87,14,596
Technical and other receipts	15	4,10,81,267	3,15,19,115
Other income	16	33,24,277	32,07,523
		<u>18,49,72,113</u>	<u>22,49,20,229</u>
Expenditure			
Grant expenses	3	806,36,963	12,90,91,173
Depreciate in assets	17	11,53,957	2,75,176
Material cost	8	4,12,1,997	39,66,463
Manufacturing cost	18	51,42,656	16,21,315
Purchase of finished goods		9,81,862	4,73,684
Training programme expenses		2,46,48,698	1,69,73,272
Personnel expenses	20	5,51,75,389	5,41,17,591
Depreciation	6	7,23,562	1,11,2,659
Finance charges		13,59,000	1,11,2,659
General and administrative expenses	21	4,16,75,787	2,32,54,277
		<u>19,13,00,757</u>	<u>23,98,65,082</u>
(Deficit) before and after prior period item but before tax		(63,28,644)	(89,35,053)
Less: Tax expense			
Current tax		15,14,540	7,38,221
Earlier years			1,99,857
Deferred tax benefit		<u>(37,84,366)</u>	<u>(4,43,217)</u>
(Deficit) for the year		(46,10,008)	(49,53,914)

Summary of significant accounting policies and notes to the financial statements

22

This is the Income and Expenditure account, referred to in our report of even date.

The schedules referred to above form an integral part of the financial statements.

Walker Chaudhary & Associates
For Walker Chaudhary & Associates
Chartered Accountants

For and on behalf of the Society for Technology and Action
for Rural Advancement

Vinod Toshniwal
for Vinod Toshniwal
Partner

Ashok Khosla
Ashok Khosla
Charman

Shruti Patra
Shruti Patra
Chief Executive Officer

Vinod Nait
Vinod Nait
CFO Finance

Place: New Delhi
Date: 27 October 2017

Walker Chandok & Associates

C-41 Connaught Circus
New Delhi 110001
INDIA

T +91 11 4278 1070
F +91 11 4278 1121

Independent Auditor's Report

To the board of trustees of Society for Technology and Action for Rural Advancement

Report on the Financial Statements

1. We have audited the accompanying financial statements of Society for Technology and Action for Rural Advancement (the 'Society'), which comprise the Balance Sheet as at 31 March 2017, the Income and Expenditure Account for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Society's management is responsible for the preparation of these financial statements that give a true and fair view of its financial position and financial performance of the Society. This responsibility also includes maintenance of adequate accounting records in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India; safeguarding the assets of the Society; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the accounting and auditing standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



Chartered Accountants

Walker Chandok & Associates

7. An overall level of performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal financial controls relevant to the Society's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the entity has or has not an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Society's management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

8. We draw attention to the following qualification to the audit opinion on the financial statements of Society for Technology and Action for Rural Advancement, Regional Office, Bhand, (The Branch 'Orreha'), of the Society issued by M/A. S.K.A. & Associates vide its report dated 5 October 2017 reproduced by its annex:

As per Accounting Standard 3 "Net Profit for the Period, Prior Period Items and Changes in Accounting Policies" the adjustment with respect to prior period expenses are to be presented separately. During the course of our examination we have observed prior period expenses totaling ₹ 0,17,819 which are not separately shown in the Income and Expenditure account.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on financial statements and on the other financial information of the branch, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Society as at 31 March 2017, and its debit for the year ended on that date.

Other Matter

10. We did not audit the financial statements of branch (Orreha), included in these financial statements. These financial statements of branch (Orreha) reflect total assets of ₹ 9,34,228 and net assets of ₹ 1,73,00,075 as at 31 March 2017, and total revenue of ₹ 1,84,77,376 for the year then ended. These financial statements of branch (Orreha) have been audited by M/A. S.K.A. & Associates, whose audit report have been furnished to us by the management and our audit opinion on the financial statements of the Society for the year then ended to the extent they relate to the financial statements of branch (Orreha) not audited by us as stated in this paragraph is based solely on the audit report of M/A. S.K.A. & Associates. Our opinion is qualified in respect of this matter.
11. Further, the Society has also submitted audited financial statements for the year 30 March 2017 pursuant to the requirements of section 115 of the Income Tax Act, 1961, or which we issued an audit report dated 27 October 2017 to the board of trustees of the Society.



Walker Chandlok & Associates

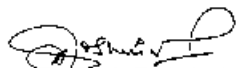
12. We report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Society so far as it appears from our examination of those books;
- c. the financial statements dealt with by this report are in agreement with the books of account and,
- d. in our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on financial statements and on the other financial information of the branch, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, give a true and fair view, in the case of:
 - i) Balance Sheet, of the state of affairs of the Society as at 31 March 2017 and
 - ii) Income and Expenditure Account, of the deficit for the year ended on that date.

Restriction on use

This report has been prepared at the request of management of the Society, for submission to members of the Society. Our report should not be used for any other purpose or by any person other than the addressee of this report. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Walker Chandlok & Associates
For Walker Chandlok & Associates
Chartered Accountants
Firm's Registration No.: 001329N


per Nitin Toshniwal
Partner
Membership No.: 567568



Place: New Delhi
Date: 27 October 2017



World Headquarters
B-32, Tara Crescent, Outub Institutional Area
New Delhi – 110016, India
Tel: +91 11 2654 4100, 2654 4200, Fax: +91 11 2685 1158
Email: tara@devalt.org, Website: www.tara.in