



ANNUAL REPORT 2018



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November, 2018

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, Qutub Institutional Area

New Delhi 110 016

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CHAIRMAN'S MESSAGE

After decades of development work involving huge effort and expenditures, our world still has some 3 billion people outside the mainstream economy. The severe and large-scale social, economic and environmental challenges faced by rural populations need new approaches, instruments and action not normally associated with the way in which the public sector, private corporations or even civil society organisations operate. Designing and implementing effective solutions requires a commitment to social justice, empathy for the health of our planet and the passion and urgency to deliver at scale; all characteristics of a good social enterprise.

Large numbers of people continue to live in conditions of extreme deprivation, hardship and vulnerability - unable to extricate themselves from an endless vicious cycle of increasing poverty, growing natural resource degradation and further marginalisation. To get out of this trap, they need a way to kick-start the local economy with sufficient force that this cycle vaults into a virtuous one. Making the trap even harder for many to escape from, are social, physical, economic and cultural handicaps that women, children, low-income groups and others face, which prevent them from carving out healthy, productive and fulfilling lives for themselves.

The Society for Technology and Action for Rural Advancement (TARA) is the incubation engine of the Development Alternatives Group. It validates the conditions under which sustainable products and technologies can be taken to scale, promotes enterprise based green business solutions and invests heavily in capacity building of youth, women and development practitioners to address economic, environmental and social challenges faced by the poor. TARA's work spans the areas of Energy, Water, Sanitation and Hygiene, Affordable Housing, Recycling and Livelihood Support Systems.



The innovation and ingenuity of TARA's solutions lie in generating synergies among the inherent strengths of communities, natural resources, 21st Century technologies, markets and entrepreneurship to reshape development options available to rural communities. By creating innovative service delivery mechanisms that bring development to people's doorsteps, our work aims to enable rural people, particularly women, to gain control over their lives, making them self-reliant in taking advantage of emerging opportunities and capable of prioritising family well-being and local environmental health. 35 years of field experience of the DA Group and others shows that while no single "silver bullet" exists for achieving this, a small number of carefully chosen imaginative interventions can synergistically lead to systemic change that takes communities, their natural resource base and local economy into a positive development trajectory that can become a positive self-sustaining cycle at little cost and at rapid speed.

TARA continues to work closely with TARAlife Sustainability Solutions Pvt. Ltd. (TARAlife), its sister organisation TARA Machines and Tech Services Pvt Ltd and a special purpose vehicle to promote entrepreneurship at scale – the Indian Micro Enterprises Development Foundation (IMEDF) to deliver basic needs products and services, create market linkages for rural artisans and promote green enterprise solutions across India and other countries in the global south.

We may already be a few decades late in making sure that the benefits of 21st century innovation reach the poor. The consequences of not working together to do so in the immediate future can be potentially disastrous. TARA has strengthened its commitment to the creation of widespread opportunities for entrepreneurship driven livelihood security that ensures a more equitable distribution of the benefits of socio-economic development. Going forward, it will place increasing emphasis on collaboration with research institutions, business and industry, social entrepreneurs and government bodies to accelerate the pace and scale at which we work together to create impact on the quality of people's lives and our environment. Viral replication of sustainable solutions is no longer a distant dream.



Dr. Ashok Khosla
Chairman

Natural Resource Management

Water management
Sustainable agriculture
CCA Planning

Clean Technology

Renewable energy
Eco-construction
Waste to wealth technology
Resource efficient technology

Enterprise Development

Business models
Micro-enterprises
Value chain development

Strengthening Institutions

Community institutions
Governance systems & Planning processes
Policy influence

Employment Generation

Skill development
Trainings – Entrepreneurship,
Employability,
Executive Green jobs

Basic Needs Fulfillment

Habitat
WASH
Energy
Literacy

towards a sustainable future



IMPACT

Development Alternatives Group

60,000 + people trained with employability skills

8,560 + enterprises set up & supported

27,000 tonnes of top soil saved annually

850 million litres water saved annually

15 million people reached

85,000 tonnes of waste utilised annually

250 Panchayats strengthened

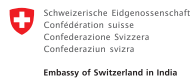
2,500 + women SHGs formed & nurtured

43,000 individuals directly impacted on basic needs annually

PARTNERS AND COLLABORATORS



Empowered lives.
Resilient nations.



HIGHLIGHTS 2018

TECHNOLOGY



Limestone Calcined Clay Cement technology transfer to cement companies and pre-fabricated building material manufacturers

460 Individuals made aware on Foundry waste slag utilisation in paving block manufacturing

ENTERPRISE



985 local businesses set up and strengthened through enterprise support services

2,576 individuals linked with income generation activities

CAPACITY



1,000+ women and girls made literate through TARA Akshar+ programme

2,700 women provided access to information on employability and entrepreneurship

BASIC NEEDS



3,000+ households provided with access to clean energy based electricity

250+ families provided access to arsenic-free safe water



TECHNOLOGY INCUBATION

TARA incubates ecologically efficient and economically viable solutions to meet basic needs, which addresses environmental challenges, with particular emphasis on clean technology. The major focus is on reducing environmental emissions and supporting resource efficient consumption and production systems. Technologies are developed in collaborative partnership with various national and international research organisations and institutes. These innovations are tested at laboratory, pilot and commercial scale to establish their viability and transform them into scalable business models ready to be adapted areas entrepreneurs and enterprises. Technologies process and value innovations are developed mainly for micro, small and medium enterprises, as well as for community groups. The focus is always on enhancing incomes and creating livelihood opportunities for individuals and communities. In the year 2017-2018, TARA has also initiated incubation of low carbon technologies in association with large companies to develop customised solutions for utilising wastes and transforming them into useful and marketable products, thereby supporting companies in reducing emissions and achieving global sustainability.

The Technology Incubation team of TARA, in association with the Research and Product Development team of Development Alternatives, has been successful in creating interest in various countries, especially Africa and the Middle East on its developed low carbon technologies. Initiatives has been started for transfer of technical know-how to development organisations and commercial business units. Work on Technology Incubation covers four functional areas, viz. Green Building Materials, Waste Utilisation, Water Solutions and Clean Energy Services. It is supported by TARA's own labs, workshops, design studios and pilot production facilities at Delhi and Datia (Madhya Pradesh).

KEY INITIATIVES

Building Materials

The major initiatives in Building Materials focused mainly on TARA's competencies in cement, various bricks and equipments.

Low carbon and resource efficient cement

In India lab scale studies have been completed for JK Cements Ltd., India Cements and Deccan Cements. LC³ was also given to various cements companies for their evaluation. Testing of china clay was conducted for pilot trials at Dalmia Bharat Cements Ltd.

Economic tools to analyze LC³ profitability and business feasibility was developed in association with project partners. A SPV in the form of LC³ Technology Resource Centre was launched for taking the LC³ technology to clients and providing commercial service.

Across the globe commercial contracts has been signed with Lafarge Malawi for technical feasibility of LC³ with Malawian raw materials. Expression of interest has been received from Iran, Turkey, Kenya, Nigeria, Ethiopia and other countries for providing technical support on introduction of LC³.

Energy efficient brick production systems

The EcoKiln technology was promoted across Malawi in six major cities and towns. More than 2000 entrepreneurs have been sensitized on the benefits through Information Days, social media and one-to-one contacts. Around 10 entrepreneurs have signed MOU's for establishing feasibility. A 4-shaft kiln was designed for Sunseed Oil Ltd. in Malawi and in the process engineers trained for design and construction.



Pre-stressed Hollow Core Slabs at Supertech Precast Technologies Pvt. Ltd., Noida, U.P. One of the major milestones in 2017-2018 has been the application of LC³ in high value, new age products eg. pre-stressed hollow core slabs. In association with Indian Institute of Technology Madras, the TARA team developed and tested various formulations at the Building Sciences Laboratory of IITM. The developed formulations were replicated at the Quality Control lab of Supertech in association with the research and production teams. This was done to engage with the production team and instil confidence that new raw materials can be used in exciting products without changing any production systems. The developed formulations were used to produce 120 metres of pre-stressed slabs, and applied in various buildings as of TARA. The initiative demonstrated capability of the TARA team to transform lab scale ideas into replicable, commercial products.

A new technology based on use of internal fuel in green brick making was developed and disseminated amongst Fixed Chimney BTK owners in Bhagalpur district of Bihar. Internal fuel in the form of coal slurry waste from TATA Coalfields was tested and found suitable. Preliminary lab tests suggests that more than 40% energy efficiency can be achieved through the use of internal fuel in burnt clay brick making.

Machineries and equipment

To cater to the demand from fly ash entrepreneurs and commercial businesses, a high productivity fly ash brick making machine was designed and developed in association with TARA Machines. The machine was pilot tested and a capacity of 15,000 bricks per day was achieved. Pilot production has started and commercial sale initiated.

Waste utilization

Under the utilization of foundry slag waste, knowledge and information has been imparted to more than 500 entrepreneurs. 6 profitable enterprises has been demonstrated providing employment to 56 people. With sustained technical support, Samalkha foundry waste cluster has been declared as a “waste free foundry cluster” in India.

Water Solutions

To extend the reach to the Bottom of the Pyramid, an appropriate service delivery model based on socio-economic factors was established in 2 villages in Khagaria district, Bihar to deliver Arsenic free safe drinking water to more than 250 families. The safe water has been priced at Rs. 6 per 10 litres and a community managed social enterprise has been set up.

Towards demonstration and validation of solar disinfection product in urban slums and rural areas studies for 5 solar based water purification products have been conducted for their lab and field performance. There has been quite a high demand of these products especially in urban slums.

Knowledge Assets

TARA conducts collaborative research with national/international Universities and Institutions in the functional areas of Building Materials, Waste Utilization and Water Services 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, disseminating knowledge. During 2017-2018, 9 peer-reviewed papers were published in scientific journals in association with partners. More than 15 papers and posters were presented in national and international conferences and workshops across India and the world. 4 training packages has been developed to enhance skills of communities and enterprises in the field of cleantechology.



HIGHLIGHTS

Industry Engagement: Working partnerships have been initiated with some of the top cement companies in India and across the globe. Expression of interest has been received, and Non-Disclosure Agreements signed for joint collaboration towards incubating developed technologies.

South-South Cooperation: Impacts of the LC³ technology and its relevance in reducing the carbon footprint has attracted attention of cement companies and equipment producers across the globe. Companies in Africa and the Middle East have signed contracts for establishing feasibility. For the EcoKiln technology in Malawi, through sustained dissemination across the country, an appreciable number of agreements for soil testing have been signed with individual entrepreneurs. Enquiries have also been received from individual entrepreneurs from Kenya, Uganda and Nigeria.

Supporting SMEs: During the year 2017-18, considerable efforts have been spent on sensitising and supporting the SME sector in adopting waste utilisation technologies of foundry slag waste, burnt agricultural waste and fly ash. More than 50 enterprises were supported through training of workers, technical trouble shooting and demonstration of best practices. This has helped in increasing market share and improving the bottom line of more than 30 enterprises.



WAY FORWARD

The year 2017-18 has been extremely fruitful in demonstrating TARA's capability of working with communities, SMEs and supporting large industries. This has again been a testimony of TARA's ability in delivering customised and innovative solutions to improve livelihoods of communities, enterprises and improve the bottom lines and sustainability of companies. Companies across the globe, and various stakeholders including national governments, now have renewed confidence in TARA's ability to deliver creative and focused solutions to reduce the carbon footprint and enhance livelihood opportunities.

The Technology Incubation work of TARA will accelerate the focus of South-South Cooperation with a more balanced approach between capability and resources, whilst creating impact at a large scale. In the coming years, increased emphasis will be on introducing resource efficiency and reducing carbon footprint through a twin approach of promoting sustainable consumption and production and proving that development is a good business for all.



SUSTAINABLE ENTERPRISE

TARA creates green and inclusive business models for micro and small entrepreneurs, 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, access to credit, access to technology packaging, and marketing and management support. It is also engaged in Cluster Development (CD) and Value Chain development (VCD) in the sectors of agriculture, WASH resource efficiency, waste-to-wealth and rural services based business models.

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 micro franchises and/or decentralised production units.

Incubation of Business Models: This vertical creates business models for products and technologies developed for rural markets. These products could be developed either by TARA or other organisations looking to enter the market. The portfolio of services offered falls into two categories: Enterprise Packaging (Product/Technology Customisation 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)

The project aims at promoting entrepreneurship through application of innovative and eco-friendly technology based solutions. With the broad objective of setting up 150 enterprises in the area of waste-to-wealth (building material, paper recycling and processed fuel sectors), and forming a special purpose vehicle for supporting waste-to-wealth enterprises, this project covers the thematic areas of clean technology, strengthening institutions and enterprise development. Under the project, in the fiscal year 2017-18, 20 enterprises have been set up, 168 enterprises strengthened through market linkages and capacity building, and 3 technology and 2 implementation partnerships established. The project has also provided insights for cluster development of fly ash brick enterprises in Bihar.

Piloting Centre of Excellence (CoE) Model for Skilling Girls and Women

With the objective to bridge information gaps for 2,500 women, train 500 potential women entrepreneurs and provide enterprise linkages to 60 women, the project covers the thematic areas of enterprise development and employment. Strategic implementation partnerships with local CSOs and CBOs have reached out to over 2,700 women. 540 women have been provided with entrepreneurship training, and 65 women have been provided access to enterprise linkages.



Smt. Mikki Devi has set up Bhawani Shankar Fly Ash Bricks in Bihar with an initial investment of INR 4.5 million, of which INR 2.35 million was sourced through the PMEGP credit linked scheme and the rest was raised through alternative means. The total number of bricks manufactured and sold by the unit until July 15, 2018, was 0.3 million. Each brick costs INR 6.5 to 7, depending on its size and mixing practice. At present, the unit has one machine with production capacity of 10,000 bricks per day. The unit currently provides employment to 16 individuals, of which 8 are permanent skilled employees and the remaining are hired seasonally on daily wage basis.

Smart Power India (SPI) Micro Enterprise Development Project

The project sought to provide load development services to different Energy Servicing Companies (ESCOs) in Uttar Pradesh and Bihar. Under this project, a total of 25 enterprises have been provided expansion services, i.e. technology upgradation across the two geographies. The expansion of these enterprises has led to a load enhancement of 10kWh for two ESCOs (TAR Aurja and HUSK).

Antenna Technologies - Scaling up Safe Water

The objective of the project is to scale up the provision of safe drinking water to the BoP population using Aqua+. This project works primarily in the area of basic needs fulfilment. Currently, the Water Kiosk Model is being tested for the last phase of the project to provide purified water. Additionally, a mobile-based monitoring and evaluation application has been developed to facilitate sales and understand consumer behaviour.

Tafgard Technology / Taisei Soil System (TSS) –

Prototype validation

TSS is a decentralised environment-friendly wastewater treatment technology developed and manufactured in Japan by Taisei Kogyo Co. Ltd. that treats biological effluents from toilets. As part of the project, TARA tested the prototype of the TSS technology in India. This project focuses on the area of clean technology. In India, in the financial year 2017-

18, TARA partnered with four Japanese partners and two municipal corporations in Uttar Pradesh, developed two business models, finalised sites for Phase 2 of the project, and prepared reports on the business feasibility of TSS through this project.

Philips

In order to provide high quality lighting technology to rural areas at reduced cost, TARA, with support from Philips Foundation, aims to distribute 100,000 LED bulbs and LED tube lights to customers at ESCO sites. The intervention has been designed to bridge gaps in access to high quality lighting solution for rural consumers. Till date, the project has reached 80 sites across 6 ESCOs (TAR Aurja, HUSK, OMC, Mlinda, HCL Foundation and Claro) in Uttar Pradesh, Bihar and Jharkhand. Till March 2018, 5,000 LED bulbs and 2,000 LED tubelights were distributed at 20 sites across 4 ESCOs, reaching more than 3,000 families across 35 districts in 2 states.



HIGHLIGHTS

- In the last financial year, TARA has prototyped 11 social enterprise models and supported 150 micro enterprises (creating 350 jobs).
- A total of 1,470 income generation activities took place in five sectors of Green Construction, WASH, Recycling, Rural Services and Agri businesses.
- Strategic partnerships were developed with three technology partners, three financial institutions and four implementation partners



WAY FORWARD

Moving forward, TARA is committed to continuous innovation and accelerated action at scale. In order to do so, TARA is standardising processes, modules and green enterprise packages ready for transfer to partners across India. For their dissemination, emphasis will be laid on creating community based platforms like information kiosks, safe spaces for youth and women, and creating physical and virtual platforms for providing service access at the last mile. In order to make these services available, the enterprise development programme will continue to grow its network of technical, marketing and financial strategic partnerships to ensure improved and enhanced access for rural communities – especially those who are left behind. TARA envisions an increased role of IMEDF in delivering these services to clusters and micro entrepreneurs.



CAPACITY BUILDING

TARA's 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 'functional literacy', 'literacy to self-reliance', 'skills to livelihoods', 'skilling supply chains' and 'bridging information gap'.

Major streams of activity in the capacity building domain are:

1. Developing and Disseminating Knowledge and Information Packages – Capacity building of large number of target individuals/ groups through packaged knowledge on different themes and subjects.
2. Designing Capacity Building Models – In order to scale up the initiative, integration of different components through innovations.
3. Implementation
 - Capacity building for individuals – Across multiple sectors and in alignment to the national ecosystem.
 - Capacity building for groups, organisations and networks – Done with umbrella/apex organisations.

KEY INITIATIVES

Rural Immersion

One of the programmes that helped in developing better connect with officials from different sectors in terms of community development. Last year, there were four rural immersion programmes that benefitted many individuals.

Technical Training for HUL technicians under HUL Pureit

Project was carried out in different geographies, which aims towards awareness and empowerment of technicians on the modification in technology and other soft skill aspects.

Skill Development

Women and girls in three major sectors namely, Beauty and Wellness, Retail, and Sales was done through our flagship programme, 'Skills to Livelihoods'. The training programmes were imparted to individuals, and then they were further linked to livelihood generation activities.

New Partnership in Functional Literacy space with HCL Foundation

Aims towards making adult women literate in the Bundelkhand region of Madhya Pradesh, was successfully started.



Subuhi Begum is a TARA Akshar+ learner from Gauri Khalsa village, Kachhauna block of Hardoi. She had learnt “*mukaish*” hand embroidery and was earning INR 7,000 before joining the TARA Akshar+ programme. Being illiterate, she faced difficulties in calculating the budget and costs of material for producing embroidered fabric. TARA Akshar+ helped her overcome these difficulties. Further, through Gyan Chaupali, Subuhi Begum was able to reach out to a lot of people. Through this platform, she skilled about 50-60 women on “*mukaish*” embroidery, and also assigned orders to them. Subuhi was eventually able to expand her work, and now earns about INR 20,000 per month. Along with this, she manages a kirana shop with her husband, which serves as an additional source of income for them. Today, Subuhi is considered as one of the ‘influential opinion leaders’ of the village.

HIGHLIGHTS

- Strengthened engagement with HUL Pureit for capacity building of existing technicians of HUL.
- 1000+ women and girls made literate through TARA Akshar+ functional literacy programme.
- 700 women and girls trained on different courses in different sectors and also linked to livelihood activities.
- Many new partnerships formed with corporates such as HCL Foundation.



WAY FORWARD

While capacity building of individuals found a great traction in the last few years, in the coming year the capacity building sub-domain (CBD) of the Development Alternatives Group plans to create a wider impact. It will move beyond capacity building of individuals, and showcase major 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 one lakh individuals this year through different interventions at different locations in five geographical clusters.

Technology integration in the area of capacity building will be explored to make scaling up more effective in the coming year.

BUSINESS AFFILIATES

Over the past year, the business affiliates of the Development Alternatives Group were restructured to scale up the solutions for sustainable development it has evolved over its thirty-five years of research, analysis and operation.

Technology and Action for Rural Advancement (TARA) continues to act as the “incubation engine” of the Group. The mandate of TARA, which was set up in 1985, is to test, adapt and productionize the innovations of its sister not-for-profit Development Alternatives and make them ready for dissemination, primarily through market channels.

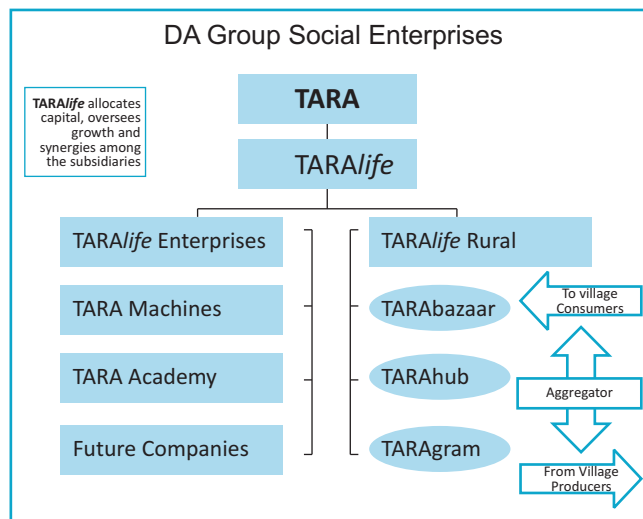
As an incubator, TARA is currently validating the market potential and business model of:

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 Livelihood Academy (TLA) which provides training packages for empowerment, employability and entrepreneurship, with strong market linkages for livelihood fulfillment.

TARA is also enhanced its commitment in the area of enterprise development through support to the Indian Micro Enterprises Development Foundation (IMEDF), a special purpose vehicle set up by the Development Alternatives Group to accelerate impact in the area of entrepreneurship driven green and inclusive economic development.

TARA, in turn, has promoted **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. 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.

TARAlife has several subsidiary units, including:

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 textiels, processed foods and traditional medicines, domestic products and other revenue generating activities.





Through this, TARAGram 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.

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 and the TARA Livelihood Academy. 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:

The 3 Pillars of TARAlife's rural presence, the TARA hubs, 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.



TARAhaat

TARAhaat is the leading provider of literacy and numeracy skills for adults, particularly women, in rural India. The primary product of TARA Haat is TARA Akshar+. TARA Akshar+ is an ICT based programme which imparts functional literacy in Hindi and basic arithmetic in just 56 days. After this, Gyan Chaupali is established as a post-literacy programme for 6 months, which strives to strengthen and build upon what the learners have already learned, and provide access to effective information.

BOARD OF DIRECTORS



Dr Ashok Khosla
Chairperson
Development Alternatives Group

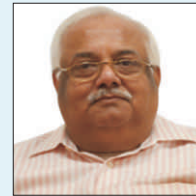
Members



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 2018

	Schedule	As at 31 March 2018 ₹	As at 31 March 2017 ₹
Sources of funds			
Capital			
Capital fund	1	(86,88,455)	39,12,820
Loan fund			
Unsecured loan	2	2,65,00,000	2,00,00,000
Liabilities and provisions			
Unspent grants, net	3	6,47,72,256	1,82,26,886
Current liabilities	4	2,31,74,301	1,85,89,880
Provisions	5	32,46,416	34,34,611
		10,90,04,518	6,41,64,197
Applications of funds			
Fixed assets	6	39,75,050	45,88,636
Deferred tax assets	7	62,23,423	68,11,392
Investments	8	2,90,85,990	3,66,01,843
Current assets, loans and advances			
Sundry debtors	9	28,47,934	5,13,486
Cash and bank balances	10	5,67,71,618	79,11,186
Other current assets	11	88,699	-
Loans and advances	12	1,00,11,804	77,37,654
		6,97,20,055	1,61,62,326
		10,90,04,518	6,41,64,197

Summary of significant accounting policies and notes to the financial statements

22

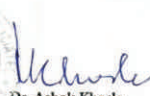
This is the Balance Sheet referred to in our report of even date.

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

For Walker Chandniok & Associates
Chartered Accountants
Firm Registration No.: 001329N


Nitin Toshniwal
Partner
Membership No.: 507568

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


Dr. Ashok Khosla
Chairman


Shirashtant Patara
Chief Executive Officer


Vinod Nair
GM Finance

Place : New Delhi
Date : 3 October 2018


Society for Technology and Action for Rural Advancement
Income and Expenditure Account for the year ended 31 March 2018

	Schedule	Year ended 31 March 2018 ₹	Year ended 31 March 2017 ₹
Income			
Grant income	3	7,62,47,026	12,18,20,963
Sales of goods	13	17,39,920	1,07,35,369
Technical and other receipts	14	1,02,75,219	4,40,91,054
Other income	15	16,14,794	83,24,727
		<u>8,98,76,959</u>	<u>18,49,72,113</u>
Expenditure			
Material cost	16	-	34,94,397
Manufacturing cost	17	-	31,42,656
Purchase of finished goods		42,35,187	9,51,822
Decrease in stock	18	-	11,53,937
Personnel expenses	19	3,47,59,424	5,33,25,599
Finance charges	20	16,42,134	13,50,000
Depreciation	6	6,13,586	7,23,562
Grant expenses	3	4,75,47,038	8,06,36,989
Training programme expenses		-	2,46,48,008
General and administrative expenses	21	1,30,92,896	2,18,73,787
		<u>10,18,90,265</u>	<u>19,13,00,757</u>
(Deficit) before tax		(1,20,13,306)	(63,28,644)
Less: Tax expense			
Current tax		-	15,66,830
Deferred tax benefit/(charged)		5,87,969	(32,84,566)
(Deficit) after taxes		<u>(1,26,01,275)</u>	<u>(46,10,908)</u>
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


For Walker Chandiook & Associates
Chartered Accountants
Firm Registration No.: 001329N


Nitin Toshniwal
Partner
Membership No.: 507568

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


Dr. Ashok Khosla
Chairman


Shrashtant Patara
Chief Executive Officer


Vinod Nair
GM Finance

Place : New Delhi
Date : 7 October 2018

Walker Chandiook & Associates

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New Delhi 110001
India

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Independent Auditors' Report

To the Members 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 2018 and the Income and Expenditure Account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records, safeguarding the assets of the Society and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 control 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 the effectiveness of Society's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Chartered Accountants



Walker Chandiook & Associates

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

Opinion

- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 2018, and its surplus for the year ended on that date.

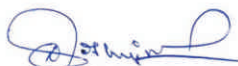
Other Matter

- We did not audit the financial statements of branch (Orchha), included in these financial statements. These financial statements of branch (Orchha) reflect total assets of ₹ 17,56,269 and net assets of ₹ (1,05,57,099) as at 31 March 2018, and total revenue of ₹ 57,46,731 for the year then ended. These financial statements of branch (Orchha) have been audited by M/s. 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 (Orchha) not audited by us as stated in this paragraph is based solely on the audit report of M/s. S.K.A. & Associates. Our opinion is not modified in respect of this matter.
- Further, the Society has also submitted audited financial statements for the year 31 March 2018 pursuant to the requirements of Section 44AB of the Income Tax Act, 1961, on which we also issued an audit report to the board of members of the Society.

Restriction on distribution or use

- The accompanying financial statements have been prepared solely for the purpose of information of the Members of the Society and therefore, may not be suitable for another purpose. This report is being addressed to and provided to the members of the Society solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or duty of care for any other purpose or to any person to whom this report is shown or into whose hands it may come without our prior consent in written.

For **Walker Chandiook & Associates**
Chartered Accountants
Firm Registration No.: 001329N



Nitin Toshniwal
Partner
Membership No.: 507568



Place: New Delhi
Date: 3 October 2018

The Development Alternatives Group

Development Alternatives (DA)
www.devalt.org

Technology and Action for Rural Advancement (TARA)
www.tara.in

TARAhaat Information and Marketing Services Ltd.
www.tarahaat.com

TARAlife Sustainability Solutions Pvt. Ltd.
www.taralife.in

TARA Machines and Tech Services Pvt. Ltd. (TMTS)
www.taramachines.com

TARA Livelihood Academy Pvt. Ltd.

Decentralised Energy Systems India Pvt. Ltd. (DESI Power)
www.desipower.com

 Development Alternatives

 TARA

 TARAhaat
Computer Skills for Jobs

 TARAlife

 TARA Machines
& Tech Services Pvt. Ltd.

 TARA Academy
Real Skills... for Real Jobs

 D.E.S.I. Power TM



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