

**AVANTHA FOUNDATION**  
**(A Company limited by shares not for profit u/s 8 of the Companies Act, 2013)**  
 Corporate Identity Number: U80903DL2009NPL189043  
 Registered Office: Thapar House, 124, Janpath, New Delhi – 110 001  
 Tel.: 011 23368332 Fax: 011 23368729

**DIRECTORS' REPORT**

To  
 The Members,

Your Directors are pleased to present the Seventh Annual Report of the Avantha Foundation ("Foundation") along with the Audited financial statements for the year ended 31<sup>st</sup> March, 2016.

**FINANCIAL RESULTS**

Particulars	<i>Amount in Rs.</i>	
	For the year ended 31 <sup>st</sup> March, 2016	For the year ended 31 <sup>st</sup> March, 2015
Income		
Donations received	6,02,84,500	4,79,00,000
Interest received	43,40,852	9,59,719
<b>Total Income</b>	<b>6,46,25,352</b>	<b>4,88,59,719</b>
Less: Expenditure (Contribution / Donation towards charitable projects, Admn. & Other Exp.)	5,58,17,845	3,92,23,863
<b>Excess of Income over Expenditure</b>	<b>88,07,507</b>	<b>96,35,856</b>
Balance of the Reserve and Surplus Account at the end of the year	3,89,51,929	3,01,46,605

The Foundation was incorporated as a Private Limited Company, not for profit under Section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013).

**OPERATION REVIEW**

During the financial year 2015-16, the Foundation continued to implement projects in the twin domains of Health and Democratic Governance. The year also witnessed expansion of initiatives under both domains. The Health program saw crystallization of intervention models for mitigating child malnutrition through the HUNGaMA Next project in three high-burden states – Odisha, Madhya Pradesh and Rajasthan. Early evidence from innovative approaches implemented by this project indicated a significant positive impact in the nutrition status of children. In addition, the Foundation launched the Saksham project in Maharashtra, integrating a Fellowship model that directly interfaced with the State Nutrition Mission and local District Administrations. With the launch of this project, the Nutrition Fellowship initiative too underwent expansion during the year. Several community health interventions focusing on improving maternal and child health were launched during the year as part of the CSR initiative of Crompton Greaves Ltd. (CG), covering a population of nearly 44,000 spread across 50 villages and two urban slums in Gujarat, Himachal Pradesh, Madhya Pradesh and Maharashtra. Among others, the initiative on HIV Care Continuum has also successfully demonstrated a cost-effective model of integrating holistic care for people living with HIV with provision for antiretroviral therapy and diagnostic services, resulting in improved quality of life of patients.

Although projects under the Democratic Governance domain experienced some turbulence mid-year, they more than made up for it upon induction of a new Program Lead at the Foundation. The Urban Innovation Project expanded to a new town in Himachal Pradesh (Shimla) while continuing with existing interventions in other three states - Chhattisgarh, Gujarat and Odisha. The Governance Fellowship project has resulted in institutionalization of improved systems and processes within local governments.

During the year, the Foundation received a substantial grant of Rs. 6 Crores from Crompton Greaves Limited (CG) under its CSR support to program activities in health and democratic governance domains. The Foundation is grateful to CG for supporting the programs and helping to pilot innovations to mitigate some of these critical challenges faced by communities.

## I. HEALTH

### 1. Project HUNGaMA Next

Under the health program, implementation of the HUNGaMA Next project (Phase I) in Odisha, Madhya Pradesh and Rajasthan concluded as on 31 March 2016. The goal was to create evidence based models to reduce malnutrition during the first 1000 days of a child's life by evolving concrete and sustainable approaches. The following key intervention models were developed and tested successfully during this phase:

- Promoting family involvement in child growth monitoring through *Shishu Vikas Chart*
- Home based counselling for child-specific attention and tracking of nutrition status
- Creating value and demand for growth monitoring services
- Hand-holding of frontline nutrition service providers from government programs
- Strengthening data access and use for longitudinal child nutrition status monitoring

An independent assessment conducted in early 2016 showed positive changes in the nutrition status of children in the project area. Significant improvement in normal nutrition grade children and an equally significant decline in severely malnourished children were observed. An endline study of the project is currently in progress and results of the same are expected in September 2016.

Effective 01 April 2016, the HUNGaMA Next project entered its second phase that focuses on building capacities of ICDS sector supervisors. Implementation of the second phase is expected to result in the long-term sustainability of evidence-based models developed by the project besides opening up possibilities for replication through advocacy and dissemination. The second phase will also facilitate a planned phase out of the project, leaving behind sustainable outcomes.

### 2. Project Saksham

The year also witnessed launch of the Saksham project in Maharashtra, where the Foundation works in close partnership with the state government to mitigate child malnutrition in tribal areas. In October 2015, the Foundation signed MoUs with Rajmata Jijau Mother-Child Health and Nutrition Mission and the Zilla Parishads of Amravati and Nashik to strengthen home-based counseling and community mobilization in order to mitigate underweight among children in the 0-3 years' age group. This project seeks to scale and replicate the good practices from HUNGaMA Next interventions in Madhya Pradesh, Odisha and Rajasthan. The Foundation will strengthen technical capacities of ICDS frontline workers besides mobilizing mothers to effectively respond to the challenge of child malnutrition. This pioneering model will engage young public health professionals in tribal areas through a Fellowship program that aims to not

just make a positive impact in critical health and nutrition areas, but also develop a cadre of specialized professionals with skills to address large-scale child under nutrition.

### **3. Avantha Nutrition Fellowships**

The first batch of six Nutrition Fellows successfully completed the Fellowship program in August 2015. They were awarded certificates by the Foundation in a valedictory ceremony held in Pune, Maharashtra. A second batch of 11 Fellows is currently placed in different locations across the country. They are scheduled to complete their Fellowship in July 2016.

A third batch of 16 Fellows completed their induction training in November 2015 and was awarded Fellowships as part of project Saksham. Post-induction, they are placed in five tribal Blocks of Amravati and Nashik districts for two years. They will be engaged with the local health and ICDS programs to strengthen capacities of frontline workers and to mobilize mothers and care givers to improve the nutritional status of children. The Fellows received intensive training in maternal and child health, nutrition, infant and young child feeding practices, counselling and community mobilization. Their work is expected to contribute to a reduction of underweight children in the 0-3 years' age group and improve the skills and responsiveness of frontline health workers besides resulting in wider community engagement and increased utilization of government health services.

### **4. HIV Care Continuum**

The antiretroviral therapy and continuum of care project, implemented in partnership with the National AIDS Control Organization, has successfully reached out to more than 3,300 people living with HIV in Odisha and Maharashtra. This integrated model of intervention places people living with HIV at the centre of a wide range of actors who are dynamically linked. The entry point to the continuum is integrated counselling and testing for HIV. Home based care is an important element of this broad system of care provision. The project contributed to a significant improvement in the health of patients, enhanced their self esteem and made them increasingly self reliant. Provision of holistic package of care services addressing critical needs of patients together with antiretroviral drugs and counselling resulted in significant health outcomes.

Clinical intervention shows a consistent average weight gain of 2.6 Kg. among patients. An average 20% increase in the CD4 count and 3.3% increase in the Haemoglobin levels of patients have also been observed. While about 95% adherence to drug regimen was reported, less than 1% cases were lost to follow up. About 2% patients suffered from Tuberculosis, one of the common opportunistic infections among HIV positive people; and less than 5% patients remained away from their work due to ill health.

### **5. Community Health Projects**

As part of CG CSR initiative, the Foundation initiated community health projects in seven CG locations across four states - Gujarat, Himachal Pradesh, Madhya Pradesh and Maharashtra. These projects emphasize on strengthening the existing health system and creating increased demand for maternal and child health services in 52 villages and two urban slums. Based on formative research conducted in the project area, maternal and child health interventions were designed keeping in mind area-specific needs. These projects are implemented through NGOs who have experience of working in MCH as well as CSR. Key objectives of these projects are (a) to improve reproductive and child health of women between 15 -49 age group, and 0-5 year age group children; (b) to train adolescent girls about health and hygiene with focus on life skills education; (c) to create demand for services provided at Village Health and Nutrition Day; and (d) to strengthen Village Health Sanitation and Nutrition Committees as well as capacities of local health workers.

## II. MATERIAL EVENTS

In June 2016, Avantha Foundation received a collaborative grant from the Bill & Melinda Gates Foundation for implementing a 3-year project to improve maternal, infant and young child nutrition among tribal communities in four districts of Maharashtra.

## III. DEMOCRATIC GOVERNANCE

The mandate of the Democratic Governance program in Avantha Foundation is to support innovation, research and advocacy on strengthening democratic institutions and processes, and building capabilities of urban local governments for streamlining good governance processes and improve public service delivery. This is done through a multi-pronged strategy of conducting training programs for municipal staff, local elected representatives and citizen bodies viz. ward committees on topics identified through detailed training needs assessments; institutionalizing and strengthening informed public participation in the decision making process on issues concerning their localities; and by institutionalizing processes for improved fiscal health of urban local governments. Towards fulfilling this mandate, the Foundation has envisaged the following three key projects.

- Avantha Urban Innovation Project (AUIP)
- Avantha Governance Fellowships (AGF)
- Avantha Citizen Engagement Series (ACES)

### 1. Avantha Urban Innovation Project

AUIP was launched in Madhya Pradesh and Chhattisgarh in 2011-12. It took off in a full-fledged manner in Kumhari, a town in Durg district of Chhattisgarh, where its implementation continues to this day. During the year 2014-15, AUIP was launched in three more states; adding seven more towns as follows:

- Gujarat – Bhuj and Rapar
- Himachal Pradesh – Dharamsala and Kullu
- Odisha – Konark, Nimapara and Pipli

Some of the key activities undertaken as part of AUIP during 2015-16 are (a) using geo-informatics to aid town planning by developing an Urban Planning Support System software, (b) supporting urban local bodies for revenue enhancement by institutionalizing improved systems and processes, (c) engaging multiple stakeholders to develop a vision for urban local governments, (d) improving data efficiency in local governments through digitization of records, (e) providing assistance to local governments to implement key governance reforms, including development of fiscal sustainability plans, capacity enhancement of municipal staff, and (f) promotion of decentralized planning and monitoring through formation and strengthening of ward committees for greater citizen engagement.

### 2. Governance Fellowships

An Avantha Governance Fellow is placed in each intervention town of the Urban Innovation Project. They are either placed with a local partner organization or directly with the urban local government to coordinate project implementation. The Foundation has on-boarded Governance Fellows in all towns and AUIP implementation is one of the key learning resources for Fellows even as they significantly help partner organizations with project implementation.

### 3. Citizen Engagement Series

During the year, the Foundation sought to build social accountability in urban service delivery through a process of sustained and enhanced citizen engagement. One of the tools the Foundation used towards facilitating this process is the Citizen Report Card. This unique tool provides Urban Local Governments opportunities to bring in greater community engagement and accountability for services. It is a survey to quantitatively estimate the actual user experience of civic services delivered by the urban local body with specific focus on attributes relating to access, usage, quality, reliability, responsiveness, hidden costs and the level of overall user satisfaction. It can be used as an effective tool to measure the level of social accountability institutionalized within the urban local body. Assessing the current situation in a town and defining the scope of action, collection of feedback from citizens, rating of services, dialogue with and response of service delivery agencies, citizen engagement in reform, periodic benchmarking of service delivery and public review are part of this innovative tool.

#### IV. ORDERS PASSED BY REGULATORS/COURTS/TRIBUNALS

During the year 2015-16, no significant and material orders have been passed by regulators, courts or tribunals that would impact the going concern status and operations in future.

#### REGISTRATION WITH MINISTRY OF HOME AFFAIRS

As per the requirements of Foreign Contribution (Regulation) Act, 2010 ("FCRA"), the Foundation has been registered with the Ministry of Home Affairs for accepting foreign contribution with effect from January 29, 2015, for a period of 5 years.

#### RESERVES

The excess of income over expenditure amounting to Rs. 88,05,320 Lacs is retained and transferred to Reserve and Surplus account.

#### DIVIDEND

The Foundation, being a not for profit organization, does not declare any dividend.

#### EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in terms of Section 134(3)(a) of the Companies Act, 2013 and section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached as Annexure-1 to this report.

#### MEETINGS OF THE BOARD

During the year under review, three meetings of the Board of Directors were convened. The details of the meetings with the attendance of Directors are as under:

Names of Directors	Date of the Meeting		
	14-04-2015	11-08-2015	09-03-2016
Mr. Gautam Thapar	√	√	√
Mr. S. K. Khandelwal	√	√	√
Ms. Yashashree Gurjar	√	√	√
Mr. D. N. Sawhney*	√	√	√
Mr. Sharad Sanjay Sen	√	√	√

\*ceased w.e.f. 17.03.2016

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to article 18 of the Articles of Association of the Foundation, Mr. Gautam Thapar and Ms. Yashashree Gurjar shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

The Board of Directors currently comprises of four directors namely Mr. Gautam Thapar, Mr. S. K. Khandelwal, Mr. Sharad Sanjay Sen and Ms. Yashashree Gurjar.

Mr. D. N. Sawhney had resigned from the Board of the Company with effect from 17<sup>th</sup> March, 2016.

The Board places on record its deep appreciation for the valuable services and guidance rendered by Mr. D. N. Sawhney.

## **AUDITORS**

M/s. K. K. Mankeshwar & Co., Chartered Accountants (Firm Regn. No: 106009W) had been appointed as the Statutory Auditors of the Foundation in the Annual General Meeting (AGM) held on 10<sup>th</sup> September, 2014, for a period of 5 years, from the conclusion of that AGM till the conclusion of AGM for financial year 2018-19, subject to ratification by the shareholders at every subsequent AGM.

M/s. K. K. Mankeshwar & Co. has confirmed that their appointment, if ratified, shall be in accordance with the provisions of the Sections 139 (1) and 141 of the Companies Act, 2013.

## **AUDITORS' REPORT**

The observations of the Auditors in their report, read together-with the Notes on Accounts are self explanatory and, therefore, in the opinion of the Directors, do not call for any further explanation.

## **RISK MANAGEMENT**

The Foundation is registered as a non-profit organization under Section 25 of the Companies Act, 1956. Foreseeable risks to the organization relate to statutory and financial approvals and compliance as applicable to implementation of its project activities. The existing risk management preparedness of the Foundation is commensurate with its current scale and nature of operations.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Except the donations/contributions received, there were no contract or arrangement entered into by the Foundation with related parties referred to in section 188(1) of Companies Act, 2013.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year, no loan was given, guarantees granted or investments made under Section 186 of the Companies Act, 2013.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EARNING AND OUTGO**

The Foundation does not carry any manufacturing activity and hence, there is no information/data which can be provided.

There was no Foreign Exchange earning/outgo during the year.

## **DEPOSITS**

The Foundation has not accepted any public deposits during the year.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. on 31<sup>st</sup> March, 2016 and of the profit or loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, on a going concern basis.
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating properly.

## **SUBSIDIARIES AND ASSOCIATES**

The Foundation does not have any subsidiaries, associates or joint ventures.

## **ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS**

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals which would impact the going concern status and operations in future.

## **INTERNAL FINANCIAL CONTROLS**

The Foundation has systems and procedures in place for various financial and non financial transactions and matter. At present, the systems followed are commensurate with the size, business and operations of the Foundation.

The system may be reviewed annually or at such periodicity as may be required/ deemed appropriate by the Board.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: Nil

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Foundation has not paid any remuneration to its directors/KMP.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: Nil.**

**By Order of the Board of Directors  
For Avantha Foundation**



**S. K. Khandelwal**  
Director

DIN –00015367

Address – 238, Kailash Hills,  
East of Kailash, New Delhi –  
110 019



**Yashashree Gurjar**  
Director

DIN – 02674807

Address – 901, Sovereign  
Apts., Kalyani Nagar,  
Pune, Maharashtra –  
411 006

Place New Delhi  
Date:04.08.2016







Custodian for GDRs. And ADRs.	0	0	0	0	0	0	0	0	0	NIL
<b>Grand Total (A + B + C)</b>	0	10,000	10,000	100	0	10,000	10,000	100		NIL

**ii. Shareholding of Promoters:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Gautam Thapar	9,998	99.98	0.00	9,998	99.98	0.00	NIL
2	Ms. Sonia Niranjana Das*	1	0.01	0.00	1	0.01	0.00	NIL
3.	Ms. Tapsi Mahajan*	1	0.01	0.00	1	0.01	0.00	NIL
	<b>Total</b>	9,998	100	0.00	9,998	100	0.00	NIL

\*Nominee of Mr. Gautam Thapar

**iii. Change in Promoters' Shareholding: Nil**

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

For each of the top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. D. N. Sawhney</b>				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share Holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
At the end of the year (or on the date of separation, if separated during the year)	0.00	0.00	0.00	0.00

## PARTICULARS OF EMPLOYEES

During the year under review, the Foundation doesn't have any employee who is in receipt of remuneration more than the limits specified under the Companies Act, 2013.

## ACKNOWLEDGEMENTS

The Board wishes to place on record its sincere appreciation for the continued assistance, support and co-operation extended to the Foundation by the Banks, Government Authorities and Employees during the year under review and look forward to their continued support in the future.

By Order of the Board of Directors  
For Avantha Foundation



**S. K. Khandelwal**  
Director  
DIN -00015367  
Address - 238, Kailash Hills,  
East of Kailash, New Delhi -  
110 019



**Yashashree Gurjar**  
Director  
DIN - 02674807  
Address - 901, Sovereign  
Apts., Kalyani Nagar,  
Pune, Maharashtra -  
411 006

Place New Delhi  
Date:04.08.2016