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THE AKAL ACADEMIES

THE AKAL ACADEMIES

On July 8, 2016, Baba Iqbal Singh Kingra Ji, 92, popularly known as Babaji, Chairperson of The Kalgidhar Trust/Society (TKTS),[1] a non-profit social development organisation based at Baru Sahib in Himachal Pradesh, a State[2] in northern India, was reflecting on how to accelerate the rural school development activities of TKTS. Starting with one school, the Akal Academy at Baru Sahib, in 1986, TKTS had increased the number of its schools, all of which operated under the brand name 'Akal Academy,' to 101, with about 45,000 students, by 2012. In 2012, TKTS set for itself a goal to establish 500 Akal Academies with 250,000 students by 2020. Over the next four years, however, only 28 schools were established. As of July 2016, there were 129 Akal Academies, with 62,000 students; about 35% of the students were girls. (See Exhibit 1 for key milestones in TKTS's history.) As R. P. S. Kohli, Public Relations Advisor of TKTS noted, the higher education activities of TKTS (Exhibit 1), especially the planning for a university which was set up in 2015, occupied the attention of Babaji and his team during 2012-15; now, Babaji and the members of the TKTS governing body wanted an action plan to set up another 371 schools by 2020 so that the target visualised in 2012 could be achieved.

TKTS usually set up one rural school in a block.[3] One hundred and five of the 129 schools were in the state of Punjab; the other 24 schools were in Haryana, Rajasthan, Uttar Pradesh and Himachal Pradesh. The schools catered to rural children and, as Kohli noted, attracted students of all religions and social strata. He also noted that Punjab had about 150 blocks, of which about 100 had Akal Academy schools; however, the demand for opening schools had come from districts in the

[1] Kalgi refers to the ornamental plume worn in his turban by Guru Gobind Singh Ji (1666-1708), the tenth Guru (teacher, preceptor) of the Sikh religion. Kalgidhar means one who wears a Kalgi, a person with great responsibility and deserving of respect. Sikhism is a relatively young monotheistic religion founded in the fifteenth century by Guru Nanak (1469-1539). He was followed by nine Gurus. Guru Gobind Singh Ji decreed that the Sikh holy book, the Guru Granth Sahib would be his successor and spiritual guide forever. TKTS derived its inspiration from the teachings of the Sikh Gurus, especially their emphasis on good actions rather than rituals, spirituality, equal treatment of all human beings regardless of social identity or religion, and service to the less fortunate.

[2] A state is equivalent to a province.

[3] A block is a sub-district administrative unit. Each state is divided into districts for administrative purposes, and each district is further divided into blocks. As of 2016 there were 29 states and seven centrally governed union territories, divided into 675 districts (http://goidirectory.nic.in/district.php). As of 2011, there were 5564 blocks—in two states, the blocks were called mandals which were smaller that the blocks in the rest of the country) (http://www.censusindia.gov.in/Tables_Published/Admin_Units/Admin_links/subdistrict_nomeclature.html).

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neighbouring states of Haryana and Himachal Pradesh, and from states like Rajasthan. TKTS initially relied on a low-investment model in which donation of land played an important role. Eighty of the 129 schools were on donated land (on average about one to 1.5 hectares per school); 31 were on land bought by TKTS; 10 schools had both purchased and donated land; and eight were on land taken on long-term leases from Sikh religious bodies. In the new blocks where schools could be established, people were less willing to donate land, and even if TKTS was willing to buy land, getting a single unit of one hectare was difficult. TKTS felt that to start an academy for 100 students after 2016, at least INR 10 million, almost two and a half times the amount that was required in the early years, would be needed. In contrast to the difficulties it was facing in arranging for land, TKTS felt that it had managed its volunteers and teacher supply well. The 54 volunteers associated with TKTS provided mentoring support to the schools, and dedicated their lives to its mission. TKTS's teacher training academies ensured a fairly steady supply of teachers to the academies. It was in this context that Babaji wanted a plan to achieve the target of 500 Akal Academies by 2020. He firmly believed in the sustainability principle—although TKTS was responsible for finding the money for capital investments, the schools had to become self-sufficient at the earliest. TKTS believed that with an enrolment of 500 children, a school could take care of its operational expenses with fee income alone.

GENESIS AND BACKGROUND

TKTS owed its genesis to Sant Attar Singh Ji (1866-1927), a Sikh social reformer and educationist, who in the early twentieth century promoted the education of girls and a model of education that combined modern knowledge with the spirituality advocated by the saints of the Sikh religion. He first established a school for girls in 1906, and later set up a chain of schools and colleges, including the Akal Degree College at Mastuana, Punjab. Sant Attar Singh Ji was helped in his work by Sant Teja Singh Ji Maharaj (1877-1965) who, after completing his advanced education at the University of Cambridge, Teachers' College, Columbia, and Harvard, worked at Khalsa College, Amritsar, Guru Nanak Khalsa College, Gujranwala (now in Pakistan), Banaras Hindu University and Akal College, Mastuana. Sant Attar Singh Ji had visualised a centre in the Himalayas to work for his vision of "universal brotherhood". To realise this vision, Sant Teja Singh Ji, with the help of Babaji and Bhai Khem Singh, two of his followers, bought 160 hectares of land at Baru Sahib in Himachal Pradesh in 1956. The place was considered sacred and had hosted a number of saints; Guru Gobind Singh Ji had also visited the place. Sant Teja Singh Ji moved to the site in 1959, at the age of 82, and set up the precursor to the present TKTS in 1963, with the goal of "establishing permanent peace in the world through value-based education and spiritual rejuvenation, creating good global citizens". A public charitable trust was set up in 1982 and a sister organisation was created as a society registered under the Societies Registration Act, 1860[4] in 1983; though they were separate entities legally, they worked as one, for the same projects. Babaji, who retired as Director of Agriculture, Government of Himachal Pradesh in 1982, took over the chairpersonship of these two bodies in the same year. As of 2016,

[4] The two entities were The Kalgidhar Trust and The Kalgidhar Society. The Societies' Registration Act is an all-India Act that allows for the formal registration of entities involved in activities like education, health and employment that benefit the wider society. The Public Charitable Trust and Society are the two most common forms that nongovernmental organisations take in India. For all practical purposes, as Kohli explained, the distinction was not critical.

the governing body was made up of Babaji and nine others, including the Secretary, Dr. Davinder Singh (Exhibit 2).

Starting as a spiritual and social development centre, TKTS expanded its rural education activities rapidly since it viewed education as crucial for social change; apart from the 129 Akal Academies it ran two private universities with their constituent colleges of engineering and nursing,[5] and six teacher training academies for girls. It also ran one hospital with 208 beds, three de-addiction centres, an orphanage (Child Welfare Foundation), an old-age home and a rehabilitation centre for distressed women.

THE AKAL ACADEMY AND ITS SUPPORT STRUCTURE

The Akal Academies combined "modern knowledge and value-based education", as Gursharanjit Kaur, Principal, Akal Academy, Chogawan, explained. "The school, like other Akal Academies, and in line with the teachings of Sant Attar Singh Ji, combines spirituality and scientific learning. The day starts with Gurbani[6] at 8 a.m. Hymns are recited for about 45 minutes, in community, in the corridors of the school. From 8.45 a.m. to 9 a.m. there is an assembly in which some exercises and activities are carried out and the national anthem sung. Classes run from 9 a.m. to about 4 p.m., with a 15-minute breakfast break at 9.35 a.m. and a 20-minute lunch break at 12.20 p.m. The children bring their own food.[7] There is one games period every day, and music periods thrice a week. Sikh martial arts lessons, taught by an expert, are offered from Class III onwards. Such initiatives develop the non-academic qualities that are a part of the education imparted here. The uniform is the same for boys and girls, a kurta and pyjama,[8] except that the boys' clothes are blue in colour and the girls' white. Both sexes have to cover their head/hair.[9] We want our students to become good human beings."

Many of the Akal Academies catered to first generation learners—nearly three-quarters of the students were reported to belong to socially and economically vulnerable sections of society—and so offered free tuitions to their students after five hours of regular school. Wherever possible, there was a break of two hours after regular school, and the children came back for tuitions. However, in many schools, children were transported by bus every day, and so the 'homework' was completed before the students were sent home. The Akal Academy at Chogawan catered to

[5] The Eternal University, Baru Sahib had the following eight constituent colleges: Akal College of Engineering & Technology, Akal College of Agriculture, Akal College of Nursing, Akal College of Arts & Social Sciences, Akal College of Health & Allied Sciences, Akal College of Economics, Commerce & Management, Akal College of Basic Sciences and Akal College of Education. The Akal University at Talwandi Sabo had as its constituent colleges the College of Science, the College of Humanities, the College of Commerce, the College of Economics and the College of Religious Studies & Languages.

[6] Gurbani was a term commonly used by Sikhs to refer to the compositions of the Sikh Gurus and other authors of the Guru Granth Sahib. Generally, hymns in the central text of the Sikhs, the Guru Granth Sahib, were called Gurbani.

[7] All the academies, except the one at Baru Sahib, were day schools.

[8] Traditional attire—a kurta is a loose shirt worn with loose-fitting trousers called pyjamas.

[9] Parents had to sign a declaration when their children were admitted, agreeing to abide by the conditions the school imposed. For instance, as noted in the prospectus, a child, regardless of religion or sex, had to, while "remaining in his/her own religion... follow the spiritual cum moral studies and routines being observed in the Akal Academy" and "not wear any type of jewellery [or] tattoo or apply henna (*mehendi*) [dye prepared from the plant *Lawsonia inermis*, used to temporarily stain the skin, hair or nails as body art] on any part of his/her body." Sikh children were, in addition, prohibited from cutting their hair, and were expected to "practice the tenets of Sikhism in letter and spirit". All the children in the Chogawan school were Sikhs.

villages in a radius of about 17 km from the school. Fourteen buses plying on 14 fixed routes picked up and dropped off the children every day. No child had to spend more than an hour and a half on travel. Teachers also got dropped off and picked up along with the students. The transport was directly handled by TKTS's zonal offices and the school did not have to manage this aspect. The parents paid separately—about INR 600 per month per child—for the transport.

TKTS followed the CBSE (Central Board of Secondary Education) syllabus and guidelines.[10]All the norms, for instance, the area required for a school, the number of books to be bought for the library, the student-teacher ratio, and so on, complied with the guidelines laid down by CBSE. TKTS had standardised the management systems of its schools. An activity calendar prepared by the TKTS was followed by all the schools. This indicated the academic and non-academic activities to be conducted during the year.For academic monitoring of the academies, TKTS divided them into four zones, the Mohali Zone, with an office at Chunni Kalan, the Muktsar Zone, with an office at Muktsar, the Jalandhar Zone headquartered at Dhanal Kalan and the Bathinda Zone, with its office at Bhai Desa (see Exhibit 3). Each zone covered about 30 schools (Exhibits 4 and 5). An inspection team visited each school every month for monitoring and mentoring. The audit function was centralised at offices in Ludhiana, Bhatinda, Patiala and Mohali, all towns in Punjab, and teams from these offices visited the schools every three months. Once a year, after the audit had been completed, there was a meeting of the principals of all the academies at Baru Sahib. The teachers and principals were paid according to state government salary norms. TKTS also had a system whereby dedicated volunteers called *sewadaars* (volunteer-helpers) provided mentoring support to the academies, each *sewadaar* covering 10 academies. TKTS only covered their food, lodging and travel expenses; the children of the *sewadaars* could study for free in the academies. In all, as of July 2016, TKTS employed 4,032 teaching staff and 553 administrative staff. There were 54 dedicated *sewadaars*.

TKTS followed a demand-driven pattern of setting up schools; whenever there was a demand from a particular location, and land was donated, a volunteer team started the construction of the school. If land had to be bought, TKTS did so, and then the team started the construction. A group of architects based in Delhi advised TKTS on the material requirements, the supply of which was then coordinated from the Delhi office. The volunteers were closely involved in the construction work, which usually took four to six months. The Head Office of TKTS purchased and sent the required material, since bulk tendering for items like steel and cement resulted in savings. In the new blocks where schools could be established, people were less willing to donate land, and even if TKTS was willing to buy land, getting one hectare was difficult. In its initial years TKTS started with a Class I to V model right from day one of a school's existence, but as Kohli noted, "All schools now are built only up to Class II initially, and then the school has to grow organically. This ensures that the foundations in the early years of the students' lives are laid down well." The schools were expected to become sustainable within a period of about four to five years, or when they reached a size of about 500 students. This size was expected to result in enough fee income to take care of operational expenses like salaries and maintenance. For example, the Chogawan academy, which had 29 teachers and 553 students in2016-17, was considered to be self-sufficient (Table 1). The first 18 schools and the academy at Baru Sahib, referred to as 'mother academies',

[10] The first academy, which was located in Baru Sahib, also offered the Primary Years Programme of the International Baccalaureate.

generated a contribution of about 30% of revenue, before accounting for depreciation and centrally allocated fixed costs.

Table 1: Expected fee income and operational costs, Akal Academy, Chogawan, 2016-17

	Students	**Fee (INR)**	**Total fee income (INR)**
Nursery	91	13850	1260350
KG	126	16600	2091600
I	106	18700	1982200
II	96	19200	1843200
III	57	19200	1094400
IV	38	19200	729600
V	39	19200	748800
Total	553		9750150
After accounting for freeships (assumed at 10%)			8775135
Estimated costs for 2016-17			8400000
Surplus available			375135

Source: Discussions with Chogawan Akal Academy and *sewadaar* in charge of the academy.
Note: Only operational costs are taken into account. As of March 31, 2015, the academy had fixed assets of INR 10.65 mn and liquid assets of INR 0.13 mn, against liabilities of INR 13.73 mn in its TKTS account and current liabilities of INR 0.23mn, leaving a deficit of INR 3.18 mn in its Income & Expenditure account.

TKTS had a Central Procurement Office which handled the purchase of all furniture and equipment needed by the schools, through a tendering process, and oversaw the delivery to the schools at their doorstep. Whenever required, TKTS also imported furniture and equipment. TKTS also engaged a team of legal consultants to oversee matters related to acquisition of land and regulatory compliances. The other key function was managing the Information and Communication Technology (ICT) needs of the schools. TKTS had an ICT department which managed all ICT equipment across all the schools. It had a service engineer in each zone, and oversaw contracts with ICT suppliers.

Transporting children to school was a major activity over which TKTS exercised a lot of control. Initially students came to the schools in bullock carts or Marutas (bullock carts with diesel pump engines mounted on them). Some parents made private arrangements. TKTS then started a system of bussing students from the surrounding villages. As of 2016, TKTS owned 280 buses, and in addition contracted out transport to another 1,320 buses. TKTS personnel spent a lot of time overseeing the transportation function, since this was a key factor in attracting rural students, especially in the newer schools. TKTS's internal assessment was that a poor transportation facility affected half of the potential enrolment.

Yet another key management function was ensuring adequate human resources—teachers—for the schools. TKTS realised that finding good teachers to teach in the remote locations where TKTS schools operated was not easy, and so in 2008, it started a free teacher training programme. Girls from deprived socio-economic backgrounds but with a secondary schooling or higher secondary schooling certificate were enrolled in a three to five year residential programme that trained them as teachers. The components of the programme included English language skills, communication, computer skills and teaching methodologies for elementary children. The entire cost of up to INR 50,000 per trainee per year was borne by TKTS. The number of teacher training academies had grown to six by 2016; one of the teacher training academies was affiliated to University of Cambridge, United Kingdom, through the Helga Todd Teachers' Education Foundation. As of 2015, about 3,500 girls had been trained, and 500 were under training. After certification by TKTS, they were free to join the TKTS schools or go elsewhere. Most opted for TKTS employment. The number opting to explore other options had increased since 2014, but as Babaji noted, "Even if we get 25% of them working for us it is fine with us. We see this as service to women who really need to become self-reliant." As of 2016, the Akal Academies employed 4,032 teachers.

At the school, there were no classes on the second Saturday of every month, but the teachers met to discuss their work; this time was used for teacher training, which was conducted by the principal. During the training sessions, the observations of the principal during her[11] visit to the classroom were discussed. The turnover of teachers was reported to be very low; however, teachers were sometimes transferred to other academies because of personal reasons. The principals called regular parent meetings. A team from the zone met the parents once a year. The principals were trained as and when needed at the campus in Baru Sahib through refresher courses.

All the academies followed a system of formative assessment based on the continuous and comprehensive evaluation system prescribed by CBSE. In addition, the Examination Department of TKTS, which was based at Baru Sahib, carried out summative assessments twice a year, once in September and once in March. The examination question papers were common to all academies. The questions included multiple choice items (for which 10 minutes were allotted) and questions which required essay answers. The total marks carried by an examination were 80; in addition, 10 were allotted for class activity and another 10 for assignments. The Examination Department sent an "examination blueprint" well in advance which guided the teachers in identifying the important parts of the syllabus.

According to Kohli, TKTS tried to get the best possible infrastructure for its classrooms and schools, and focused on infrastructure that cut down costs. As he narrated, "In 1996, inspired by Babaji's advice, the Baru Sahib academy started working on solar and renewable energy. Twenty years later, 54 schools run on solar power. These schools generate electricity, some of which is sent to the power grid. The headquarters at Baru Sahib has a large solar photovoltaic (SPV) power station of 200 kW which was set up in 2010 and supplies one-third of the electricity needs of the entire campus which is spread over 160 hectares and houses a number of institutions. In spite of being located in rural villages, TKTS has a large chain of smart-classrooms. Roughly 2,200 classrooms have been wired as smart e-classrooms and have touchscreen boards of Pearson Education India with features like Microsoft PowerPoint facilities and educational movies, which makes ours one of the largest chains in the country."

EXPANSION: TARGETS AND CHALLENGES

[11] The principals of all the academies were women. Most of the teachers were also women.

In 2011-12, TKTS hired KPMG, an international consulting group, to advise it on the feasibility of opening more schools. As of end-2011, 77 schools were functioning. The group endorsed the quality of the education provided by the academies, in spite of many of them suffering from locational disadvantages—the number of students who scored above 90% in the Grade X examinations of the CBSE was increasing, and the number scoring above 80% in Grade XII Science was also increasing steadily. Further, KPMG noted that the private unaided sector of school education, to which TKTS belonged, was the fastest growing sector in school education. The reasonable cost of an Akal Academy education was another factor in TKTS's favour, and KPMG concluded that TKTS could reach its target of 500 schools by 2020. KPMG also did a demand analysis of the various districts of Punjab and found that starting one or two schools in a block would not be difficult—there was enough demand for education in the private unaided school education sector. It recommended a hub-and-spoke model, that is, the existing schools could grow up to Class XII and the new schools could be seen as feeder schools operating at the primary level, from Classes I to V. For the next three years, however, TKTS's new initiatives in higher education had taken up a lot of time and investment; only at the beginning of the academic year 2016-17 were eight more schools opened.

After KPMG submitted its report there had been some discussion on the alternatives that TKTS could explore. But TKTS had decided at that time that the model it had evolved over 25 years—reliance on donated land, mobilising donations for construction of buildings, and control over delivery of education by combining modern knowledge with spiritual involvement—was best suited for its vision of education. However, it was open to borrowing money from banks to finance the purchase of land and construction of buildings.

TKTS had always relied on donations from its well-wishers both within India and in the United States, Canada and Europe.[12] As soon as it decided to go in for bank financing, the Punjab and Sind Bank advanced a loan of INR 1,080 mn in 2012 at an annual interest rate of 14.25%, which later on was reduced to 13.5% after a positive CRISIL rating of BBB+. TKTS also took a loan to finance its school bussing facility; HDFC Bank provided it a loan of INR 100 mn at an annual interest rate of 10%. Most of the loans were used to finance the purchase of land, construction of buildings and addition of classrooms/laboratories for the academies. In 2008, TKTS had taken a loan to finance its higher education venture, the Eternal University, which had been set up in 2008. As of March 31, 2015, the outstanding loans stood at INR 721 mn (Table 2).

Table 2: Loans outstanding as on March 31, 2015, TKTS (INR)

TKTS Account (excluding Eternal University)	649,289,791
Eternal university	72,124,274
Total Loan liability of TKTS	721,414,065

Source: Balance sheets of TKTS.

As Kohli remarked, "The decision to finance our school activities through loans was a major one. Our donors sympathise with us and appreciate the fact that we hypothecated the facilities at our headquarters in Baru Sahib for this purpose; to them it shows the compulsion we are under to fulfil the task we have undertaken. In

[12] TKTS had an enterprise to import Canola oil from Canada and sell it in India after repackaging under the brand name Jivo Canola. As of 2015, the contribution of funds from this source was negligible.

fact, now our regular donors have increased their donations both because of our new higher education ventures, especially the Akal University at Talwandi Sabo,[13] and of their concern about reducing the debt incurred on establishing the Akal Academies." (See Exhibit 6 for TKTS Balance Sheets and Income & Expenditure Statements of 2010-11 to 2014-15.) Most of TKTS's donors were individuals, usually small businessmen, who believed in its mission. About 36% of the donations were from within India; the United Kingdom contributed 25%, the USA 22% and other countries contributed the remaining 17%. Around 90% of the donors were regular donors, donating every year.

Some of the options that TKTS had been presented with but not explored adequately included the following:

1. TKTS had been approached by some individuals and trusts that were willing to become franchisees of TKTS. TKTS would have to agree to lend the Akal Academy name to the enterprises that the franchisees set up, and help the franchisees run the schools. The curriculum, content and educational expertise would come from TKTS. However, TKTS feared that the delivery might not correspond to what it had in mind; second, inconsistent delivery across the franchises would affect the Akal Academy brand. TKTS was also not sure of how it would ensure that its focus on value-based education and character building did not get diluted.

2. The second option that TKTS had was to enter into management contracts with existing schools, without actually taking over the ownership of the schools. This ensured that the delivery of education would be entirely in TKTS's control; also, it did not have to make large investments in land for the schools. In Punjab, there were 26,480 rural schools, out of which 14,340 were primary, 5,299 middle and 6,841 high or senior secondary schools.[14] Internal data available with TKTS indicated that out of 20,641 schools as of 2012-13, 2,716 were private-unaided schools and 479 were private-aided (privately managed but receiving government grants)—most were managed by the government. If TKTS were to enter into any arrangements for running schools, these 3,195 schools (15% of the total) would be the set to be considered in Punjab. A similar situation would obtain in other states as well.

3. A third option was to extend the practice of leasing-in land from Sikh religious bodies to farmers. Under this option, TKTS did not have to buy land, it only had to pay the annual lease-in rental amount to the owners. The CBSE guidelines, which TKTS followed, stipulated that the leases should be for a minimum of 33 years. Discussing this option with landowners, especially those who had migrated to foreign countries but wished to retain their land in India, would possibly result in overcoming the difficulties that TKTS was currently facing in obtaining donated land. The cost of land and the corresponding rentals to be paid for leasing-in varied depending on the district and location within the district. For instance, in Chogawan village, where the school was on bought land, one hectare of land cost about INR 8.5 mn; lease rentals for agriculture (crops like paddy) were in the range of INR

[13] Talwandi Sabo is a small town near the town of Bhatinda in Punjab. It is one of the five *takhts* or seats (of spiritual authority) of Sikhism. The Akal University was inaugurated in July 2015.

[14] www.indiastat.com/table/education/6370/educationalinfrastructure/207091/379239/data.aspx, accessed on November 1, 2016.

72,000 to 80,000 per annum per hectare. Fallow and dry land was available at a lower rate.

4. Yet another option was to explore the possibility of public-private partnerships with the government. Some governments in states like Rajasthan and Maharashtra had actively considered handing over the infrastructure of their failing schools to trusts. States like Punjab did not have such a plan, but proactively exploring such options with the government was a possibility. The choices open to TKTS, if public-private partnerships with the state government were to be become possible, were much wider, since the presence of government schools was extensive in rural areas.

For both the management contracts and the public-private partnership models, TKTS wondered about the size that would be most suitable for its needs. The data it had pertaining to 9,874 schools of Punjab indicated that about 8,344 schools (85%) had less than 300 students on their rolls; 994 schools (10%) had between 300 and 500 students, and the rest were more than 500-student schools. Any partnerships with the smaller schools would perhaps involve additional infrastructure, whereas the larger schools would be expected to have sufficient infrastructure. In 2012, TKTS had also identified 32 blocks in Punjab which were attractive from the point of view of locating new schools.

Although Punjab remained the state in which TKTS's presence was dominant, and expansion within the states of Punjab, Haryana, Himachal Pradesh, Rajasthan and Uttar Pradesh was possible, the management also wanted to consider expansion to other states like Uttarakhand, Orissa, Tamil Nadu, Maharashtra and Delhi.

Babaji wondered what kind of plan was needed to achieve the target of 500 Akal Academies by 2020. What kind of expansion model would suit the ethos of TKTS, and what should be the sources of funds for the expansion?

Exhibit 1: Key Milestones, The Kalgidhar Trust/Society

Year	Akal Academies (Year-wise)	Akal Academies (Cumulative)	Other activities: Social welfare and higher education
1986-87	1	1	
1987-88			Rehabilitation Centre for Distressed Women; Old-age home
1990-91			Hospital; Women's Training Centre; Child Welfare Foundation
1993-94	2	3	
1994-95	1	4	Welfare Centre for Boys
1995-96	1	5	
1996-97	8	13	
1997-98	6	19	
1998-99	2	21	
1999-2000	1	22	
2002-03			Regular medical camps held thrice a year, beginning in 2002-03
2003-04			First Deaddiction Centre at Cheema (two more set up later)
2004-05			First international youth camp for students from US and Canada
2007-08	19	41	Akal College of Engineering & Technology; First Teacher Training Academy
2008-09			Eternal University, Baru Sahib; College of Nursing
2009-10	21	62	
2010-11	9	71	
2011-12	30	101	
2012-13	20	121	
2015-16			Akal University, Talwandi Sabo
2016-17	8	129	

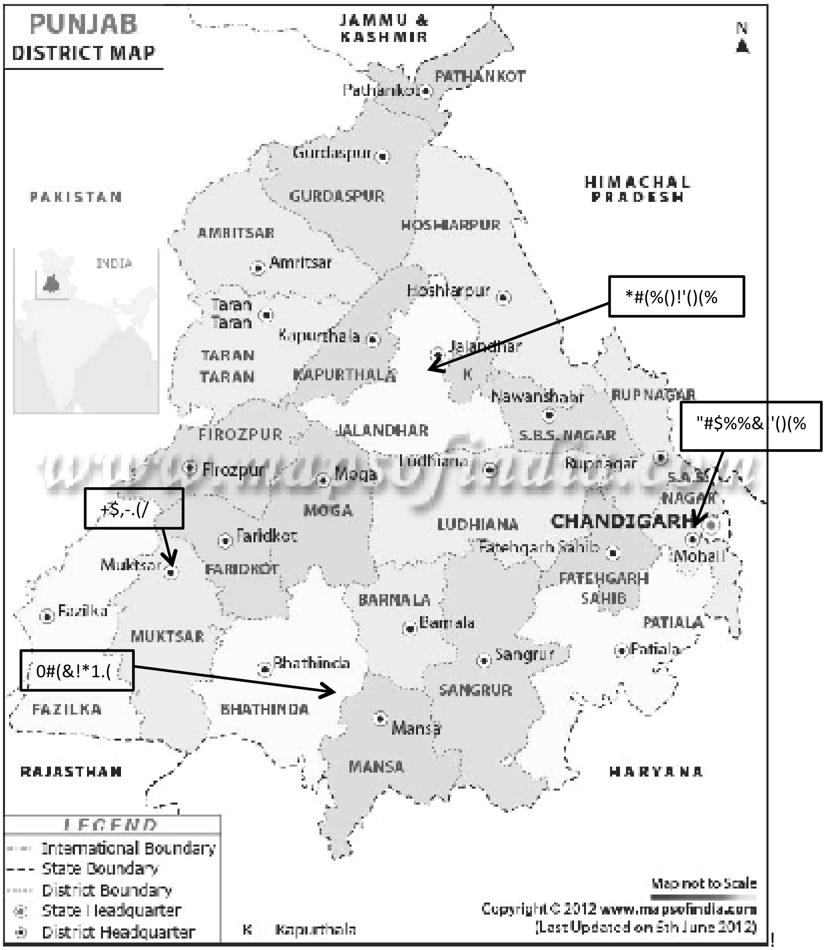
Source: TKTS

Exhibit 2
The Leadership Team, The Kalgidhar Trust/ Society

Name	Credentials
Baba Iqbal Singh Kingra	President M.Sc., Former Director Agriculture, Himachal Pradesh
Dr. Khem Singh Gill (Padma Bhushan)	Vice-President Ph.D. (California), Former Vice-Chancellor, Punjab Agricultural University, Ludhiana
Dr. Davinder Singh	Secretary M.B.B.S.; M.D.
P. S. Kohli	Former Advisor to Governor of Punjab; retired from the Indian Administrative Services
Dr. Manmohan S. Atwal	Advisor M. Sc., Ph. D. (Illinois) MBA (Columbia); MPH (John Hopkins)
Dr. B.S. Sekhon	Advisor Retired Professor, Jackson State University
Dr. Gurbaksh Singh	Advisor M.Sc., Ph.D. (Ohio State Univ.) Former Agriculture Scientist
Gian Singh	B.Sc. (Agriculture)
R.P.S Kohli	Advisor PR B. Sc. (Physics)
Jalvinder Singh	Member

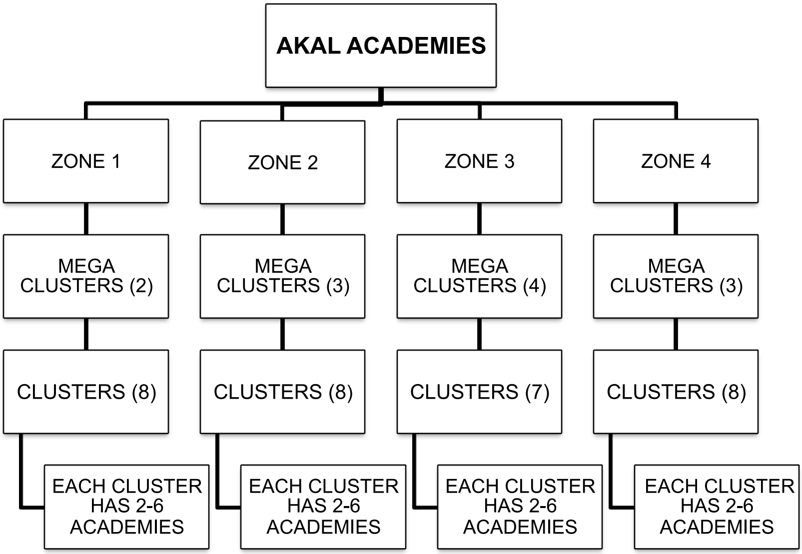
Source: TKTS

Exhibit 3
Map of Zonal Headquarters, TKTS



Source: www.mapsofindia.com. Downloaded with permission.

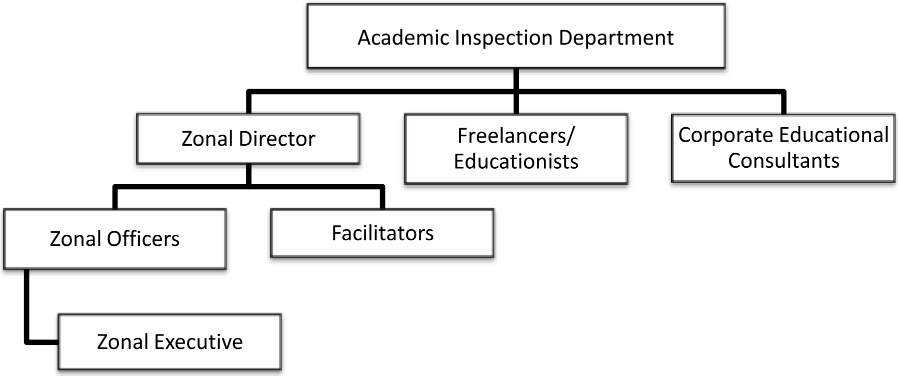
Exhibit 4: Zonal Structure (Academic Processes), TKTS



Source: TKTS reports and discussion with executives.

Note: Each zone covers about 30 academies which are grouped on the basis of geographical location and accessibility. Mega clusters and clusters head are formed similarly; in addition, the perceived capabilities of the mega clusters and clusters are taken into account while forming these mega clusters and clusters.

Exhibit 5: Academic Monitoring Structure, TKTS, 2016



Source: TKTS reports and discussion with executives.

Exhibit 6: Balance Sheets and Income & Expenditure Statements, TKTS, 2010-11 to 2014-15
(All Figures in INR)

Balance Sheets

KALGIDHAR TRUST & SOCIETY CONSOLIDATED, BALANCE SHEETS, 2010-11 TO 2014-15, COMBINED					
LIABILITIES	**March 31, 2011**	**March 31, 2012**	**March 31, 2013**	**March 31, 2014**	**March 31, 2015**
CORPUS	533,407,223	595,478,909	641,074,970	657,611,220	687,501,003
INCOME & EXPENDITURE A/C	932,088,954	988,047,858	1,242,624,290	1,613,949,009	2,250,556,833
Loans from banks	219,118,694	539,527,005	837,366,928	884,289,113	721,414,065
CURRENT LIABILITIES & PROVISIONS					
Sundry Creditors	12,494,277	19,340,131	12,587,533	49,604,758	20,066,941
Salary Payable	10,485,282	14,540,677	17,302,244	19,969,664	23,480,054
Security Payable	62,129,647	70,982,152	81,815,130	86,318,144	100,506,571
Teachers	-	-	-	-	-
Students	-	-	-	-	-
Branch/Division	-	-	-	-	-
The Kalgidhar Trust-Society	37,500,147	69,140,839	39,905,250	42,205,759	45,185,148
Him Urja Subsidy	110,000	110,000	110,000	110,000	110,000
TOTAL	**1,807,334,223**	**2,297,167,571**	**2,872,786,344**	**3,354,057,667**	**3,848,820,615**
ASSETS					
FIXED ASSETS	1,518,181,574	1,991,642,064	2,455,320,860	2,888,560,647	3,355,828,315
INVESTMENTS	76,340,277	96,487,586	120,275,198	191,681,686	207,813,614
CURRENT ASSETS, LOANS & ADVANCES					
Loans & Advances	9,942,116	14,093,236	21,120,520	19,102,054	21,156,700
Security	5,116,762	12,494,567	15,970,893	29,569,393	35,473,149
Cash in Hand	4,176,076	5,836,086	7,358,564	6,543,083	5,936,577
Bank Balances	122,483,882	85,278,477	102,036,239	71,225,819	139,286,801
Other Assets	33,593,389	22,194,717	110,798,821	105,169,226	38,140,310
The Kalgidhar Trust-Society	37,500,147	69,140,839	39,905,250	42,205,759	45,185,148
TOTAL	**1,807,334,223**	**2,297,167,571**	**2,872,786,344**	**3,354,057,667**	**3,848,820,615**

KALGIDHAR TRUST & SOCIETY CONSOLIDATED, BALANCE SHEETS, 2010-11 TO 2014-15, ACADEMIES					
LIABILITIES	**March 31, 2011**	**March 31, 2012**	**March 31, 2013**	**March 31, 2014**	**March 31, 2015**
CORPUS	134,759,997	143,052,793	143,052,793	143,052,793	143,052,793
INCOME & EXPENDITURE A/C	11,506,574	(30,720,922)	(31,808,222)	(444,334,142)	(880,476,870)
Loans from banks	-	-	-	-	-
CURRENT LIABILITIES & PROVISIONS					
Sundry Creditors	959,093	270,958	1,031,295	1,815,908	1,903,999
Salary Payable	10,334,242	13,653,413	16,780,554	19,168,188	22,805,275
Security Payable	62,123,797	70,982,152	81,789,464	81,498,032	92,198,281
Teachers	(7,113,728)	(7,169,691)	(7,269,429)	(3,284,296)	(3,864,294)
Students	-	-	-	-	(197,150)
Branch/Division	363,737,875	842,057,956	1,108,861,039	417,059,620	630,986,526
The Kalgidhar Trust-Society	37,500,147	59,614,930	39,905,250	42,205,759	45,185,148
Him Urja Subsidy	-	-	-	-	-
TOTAL	**613,807,997**	**1,091,741,590**	**1,352,342,744**	**257,181,862**	**51,593,708**
ASSETS					
FIXED ASSETS	692,613,933	978,633,978	1,252,795,982	1,411,634,234	1,767,200,943
INVESTMENTS	14,949,542	14,315,814	14,036,799	15,774,007	(243,992,987)
CURRENT ASSETS, LOANS & ADVANCE	-	-	-	-	-
Loans & Advances	1,645,162	2,051,230	1,771,605	1,699,132	2,916,571
Security	4,765,115	7,108,810	10,409,084	23,904,817	29,582,073
Cash in Hand	1,764,853	3,247,899	3,821,791	2,758,595	2,115,334
Bank Balances	51,061,839	26,742,977	28,409,582	25,305,561	72,138,026
Other Assets	6,435,857	25,952	1,192,652	55,747	508,607
The Kalgidhar Trust-Society	(159,428,303)	59,614,930	39,905,250	(1,223,950,231)	(1,578,874,859)
TOTAL	**613,807,997**	**1,091,741,590**	**1,352,342,744**	**257,181,862**	**51,593,708**

KALGIDHAR TRUST & SOCIETY CONSOLIDATED, BALANCE SHEETS, 2010-11 TO 2014-15, NON-ACADEMIES					
LIABILITIES	**March 31, 2011**	**March 31, 2012**	**March 31, 2013**	**March 31, 2014**	**March 31, 2015**
CORPUS	398,647,225	452,426,116	498,022,177	514,558,427	544,448,210
INCOME & EXPENDITURE A/C	920,582,380	1,018,768,780	1,274,432,512	2,058,283,152	3,131,033,703
Loans from banks	219,118,694	539,527,005	837,366,928	884,289,113	721,414,065
CURRENT LIABILITIES & PROVISIONS	-	-	-	-	-
Sundry Creditors	11,535,184	19,069,174	11,556,238	47,788,850	18,162,942
Salary Payable	151,040	887,264	521,690	801,476	674,779
Security Payable	5,850	-	25,666	4,820,112	8,308,290
Teachers	7,113,728	7,169,691	7,269,429	3,284,296	3,864,294
Students	-	-	-	-	197,150
Branch/ Division	(363,737,875)	(842,057,956)	(1,108,861,039)	(417,059,620)	(630,986,526)
The Kalgidhar Trust-Society	-	9,525,909	-	-	-
Him Urja Subsidy	110,000	110,000	110,000	110,000	110,000
TOTAL	**1,193,526,226**	**1,205,425,982**	**1,520,443,600**	**3,096,875,805**	**3,797,226,907**
ASSETS					
FIXED ASSETS	825,567,642	1,013,008,086	1,202,524,878	1,476,926,413	1,588,627,373
INVESTMENTS	61,390,735	82,171,772	106,238,399	175,907,679	451,806,601
CURRENT ASSETS, LOANS & ADVANCES					
Loans & Advances	8,296,954	12,042,006	19,348,915	17,402,922	18,240,129
Security	351,647	5,385,757	5,561,809	5,664,576	5,891,076
Cash in Hand	2,411,224	2,588,187	3,536,773	3,784,488	3,821,244
Bank Balances	71,422,043	58,535,500	73,626,657	45,920,257	67,148,775
Other Assets	27,157,533	22,168,765	109,606,169	105,113,479	37,631,703
The Kalgidhar Trust-Society	196,928,450	9,525,909	-	1,266,155,990	1,624,060,007
TOTAL	**1,193,526,226**	**1,205,425,982**	**1,520,443,600**	**3,096,875,805**	**3,797,226,907**

Income & Expenditure Statements

COMBINED	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Expenditure					
Overheads and admin expenses	101,325,322	104,293,013	126,573,750	138,414,256	141,044,362
Direct educational expenses	151,521,617	213,649,161	175,895,274	174,910,492	181,184,622
Depreciation	83,380,862	104,432,371	126,184,054	149,123,445	165,576,143
Transport/ vehicle/ travel	54,996,766	64,877,041	145,244,580	127,674,903	412,437,570
Interest payment	24,323,643	48,345,723	85,929,654	119,194,015	100,101,255
Staff salaries and welfare	282,031,693	347,346,862	429,186,606	538,268,687	621,558,528
Excess of income over expenditure	142,167,121	55,438,129	254,576,432	371,324,720	636,607,823
TOTAL	839,747,023	938,382,300	1,343,590,350	1,618,910,518	2,258,510,304
Income					
Donations	105,641,983	90,798,406	284,635,646	436,076,801	700,116,496
Interest income	11,813,009	7,799,800	7,019,193	16,535,043	21,021,622
Fees	588,879,201	681,858,263	816,950,932	1,079,431,601	1,441,872,076
Other direct student income	68,412,861	65,143,333	112,226,266	32,087,764	13,813,175
Miscellaneous/ admin income	64,999,970	92,782,497	122,758,314	54,779,309	81,480,063
Trust/ Society account	-	-	-	-	206,872
TOTAL	839,747,023	938,382,300	1,343,590,350	1,618,910,518	2,258,510,304

ACADEMIES	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**
Expenditure					
Overheads and admin expenses	42,517,287	16,582,649	49,837,272	(13,516,135)	63,608,325
Direct educational expenses	30,188,313	104,926,809	25,616,621	37,890,230	38,522,330
Depreciation	33,785,805	59,815,814	58,881,953	95,385,855	81,885,434
Transport/ vehicle/ travel	38,017,659	8,042,217	94,478,899	275,555,881	373,115,477
Interest payment	-	4,153,517	13,063	3,187,416	41,470
Staff salaries and welfare	223,438,088	268,917,942	333,979,327	431,408,492	452,532,664
Excess of income over expenditure	(62,031,938)	(112,737,549)	(1,087,300)	(368,033,686)	(436,142,728)
TOTAL	305,915,214	349,701,399	561,719,835	461,878,052	573,562,972
Income					
Donations	2,665,821	14,952,008	1,298,340	976,845	1,559,360
Interest income	2,357,694	(11,107,427)	1,068,318	3,298,827	2,815,576
Fees	285,532,473	409,327,479	339,886,535	425,839,904	529,286,309
Other direct student income	11,014,842	(49,199,781)	10,602,995	10,837,902	1,651,406
Miscellaneous/ admin income	4,344,384	(13,889,725)	2,163,647	20,924,575	38,043,449
Trust/ Society account	-	(381,155)	206,700,000	-	206,872
TOTAL	305,915,214	349,701,399	561,719,835	461,878,052	573,562,972
Academies considered	***67***	***93***	***116***	***116***	***126***
Student numbers	***40,000***	***44,000***	***47,000***	***54,000***	***60,000***
Per student fee income	***7,138***	***9,303***	***7,232***	***7,886***	***8,821***
Per student other income	***510***	***(1,355)***	***4,720***	***667***	***738***

NON-ACADEMIES	2010-11	2011-12	2012-13	2013-14	2014-15
Expenditure					
Overheads and admin expenses	58,808,035	87,710,364	76,736,478	151,930,392	77,436,037
Direct educational expenses	121,333,303	108,722,352	150,278,653	137,020,262	142,662,292
Depreciation	49,595,057	44,616,557	67,302,101	53,737,590	83,690,709
Transport/ vehicle/ travel	16,979,107	56,834,824	50,765,681	(147,880,978)	39,322,093
Interest payment	24,323,643	44,192,206	85,916,591	116,006,599	100,059,785
Staff salaries and welfare	58,593,605	78,428,920	95,207,279	106,860,195	169,025,864
Excess of income over expenditure	204,199,059	168,175,677	255,663,732	739,358,406	1,072,750,551
TOTAL	533,831,810	588,680,901	781,870,515	1,157,032,465	1,684,947,331
Income					
Donations	102,976,162	75,846,398	283,337,306	435,099,956	698,557,136
Interest income	9,455,315	18,907,228	5,950,875	13,236,216	18,206,046
Fees	303,346,728	272,530,784	477,064,397	653,591,698	912,585,767
Other direct student income	57,398,019	114,343,114	101,623,271	21,249,862	12,161,769
Miscellaneous/ admin income	60,655,586	106,672,222	120,594,667	33,854,734	43,436,614
Trust/ Society account	-	381,155	(206,700,000)	-	-
TOTAL	533,831,810	588,680,901	781,870,515	1,157,032,465	1,684,947,331

Source: TKTS

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