Deloitte
Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel: +91 22 6185 4000
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INDEPENDENT AUDITORS' CERTIFICATE

REF: MB/ 29

We have audited the account of **Pratham Mumbai Education Initiative** ("the Trust") (FC Reg No. 083780624) having its registered office: 4th Floor, Y.B.Chavan Centre, Gen. J Bhosale Marg, Nariman Point, Mumbai 400 021, Maharashtra, Trust Registration No. E15454 in the state of Maharashtra for the year ending March 31, 2019 and examined all relevant books and vouchers and certify that according to the audited account:

1. The brought forward foreign contribution (Bank Balances) at the beginning of the financial year April 1, 2018 was Rs.17,559,585;

2. Foreign contribution of Rs.62,272,730 was received by the Trust during the financial year 2018-19;

3. Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of/worth Rs.1,374,647 was received by the Trust during the financial year 2018-19 which includes sale of fixed assets of Rs.202,606.

4. The balance of unutilised foreign contribution (Bank Balances) with the Trust at the end of the financial year March 31, 2019 was Rs.10,438,999.

5. Certified that the Trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011;

6. The information in this certificate and in the enclosed financial statements comprising of the Balance sheet, Income and Expenditure Account and Statement of Receipts and Payments is correct as checked by us.

7. The Trust has utilized the foreign contribution received for the purpose it is registered under Foreign Contribution (Regulation) Act, 2010.

This certificate is to be read along with the notes in Appendix 1.

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Regn. No. 117366W/ W-100018

ABengali

Mohammed Bengali
Partner
Membership No. 105828
(UDIN No. 19105828AAAACW5694)

Mumbai
December 16, 2019

Deloitte
Haskins & Sells LLP

Appendix 1 to the notes to Auditor's Certificate on Foreign Contribution Regulation Act, 2010

1. This Certificate is issued in accordance with the terms of our engagement letter reference no.: MB/286 dated March 4, 2019.

Management's Responsibility

2. The Trust's Management is responsible for the compilation of the information referred in our certificate Ref - MB/ 29 dated December 16 , 2019, maintenance of separate set of accounts and records, exclusively, for the foreign contributions received and utilized in terms of Foreign Contributions Regulation Act, 2010 (the "Act") and Rule 17 of the Foreign Contribution (Regulation) Amendment Rules, 2015 (the "Rules"), and preparation of these financial statements, based on the said set of accounts and records, are in accordance with the accounting principles generally accepted in India.

3. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial Statements and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. We have examined the books of account and other relevant records and documents maintained by the Trust in the normal course of its business for the purpose of providing reasonable assurance on the particulars mentioned in the certificate.

5. This certificate is based on our examination the financial statements attached to this certificate and other relevant records and information considered necessary for the purposes of issuing this certificate and the information and explanations given to us by the Trust.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing specified under Section 143(10) of the Companies Act 2013 which include test checks and concept of materiality. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Other Matters

8. We did not audit the financial statements of one branch included in the financial statements of the Trust whose financial statements reflect a deficit of income over expenditure of Rs. 37,668, brought forward foreign contribution (Bank Balances) at the beginning of the financial year April 1, 2018 of Rs. 489,279 and the balance of unutilised foreign contribution (Bank Balances) with the Trust at the end of the financial year March 31, 2019 of Rs. 505,426, as considered in the financial statements. The financial statements of these branch audited by the branch auditor whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branch in so far as it relates to the aforesaid branch, is based solely on the report of such branch auditors.

   Our certificate on the financial statements is not modified in respect of these matters

Deloitte
Haskins & Sells LLP

Restriction on Use

9. This certificate has been issued at the request of the Trust for submission to Secretary to the Government of India, Ministry of Home Affairs and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

Mumbai
December 16, 2019

For Deloitte Haskins & Sells LLP
Chartered Accountants
ICAI Regn. No. 117366W/ W-100018

M Bengali

Mohammed Bengali
Partner
Membership No. 105828

(UDIN: 19105828AAAACW5894)

Name of the Public Trust: PRATHAM MUMBAI EDUCATION INITIATIVE
Balance Sheet as at March 31, 2019 (Foreign Contribution)

FUNDS & LIABILITIES	As at March 31, 2019 Amount in INR
Trust Funds or Corpus	
Balance as per last balance sheet	2,760
Less: Adjustment during the year	-
	2,760
Other Earmarked Funds	
PACE Entereneurship Development Fund	
Balance as per last balance sheet	2,978,447
Less: Utilised/Provision made	(2,978,447)
	-
Loans (Secured or Unsecured)	
From trustees	-
From others	-
	-
Liabilities	
For expenses	9,107,483
For advances	-
For rent and other deposits	-
For sundry credit balances	2,185,099
	11,292,582
Income and Expenditure Account	
Balance as per last Balance Sheet	278,093,868
Add:Received During the Years	-
Less: Deficit income & expenditure	16,507,268
Net Balance	**261,586,600**
Total Rs.	**272,881,942**

PROPERTY AND ASSETS	As at March 31, 2019 Amount in INR
Immovable Properties	
Balance as per last Balance Sheet	195,463,963
Additions during the year	7,427,629
Less: Deletion during the year	-
Depreciation upto the date	18,471,244
	184,420,348
Capital Works in Progress	**23,775,235**
Investments	-
Furniture and Fixtures	
Balance as per last Balance Sheet	6,709,622
Additions during the year	355,270
Less: Deletion during the year	3,006
Depreciation upto the date (10%)	708,034
	6,353,852
Other Fixed Assets (See Annexure A)	
Balance as per last Balance Sheet	14,271,306
Additions during the year	421,048
Less: Deletion during the year	199,600
Depreciation upto the date	2,339,383
	12,153,371
Advances	
To Trustees	-
To Employees	1,861,772
To Branches	-
To Contractors	-
To Lawyers	-
To Others	33,039,603
To Tax deducted at source	736,657
	35,638,032
Income Outstanding	
Rent	-
Interest	102,105
Other Income	-
	102,105
Cash and Bank Balances (See Annexure B)	
(a) In Current Account with Banks	-
(b) In Saving Account with Banks	4,538,999
(c) Fixed Deposit	5,900,000
(d) In Quantum Optima Deposits	-
(e) With the trustee	-
(f) With the managers	-
	10,438,999
Total Rs.	**272,881,942**

Significant Accounting Policies — **Annexure F**
Notes to the accounts — **Annexure G**

The above balance sheet to the best of our belief, contains a true account of the funds and liabilities and of the Property and Assets of the Trust.

In terms of our certificate ref MB/29 dated December 16, 2019 attached.

For and on Behalf of Board of Trustees

Mrs. Farida Lambay
TRUSTEE
(EXECUTIVE SECRETARY)

Mr. Sharad Kale
TRUSTEE

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mohammed Bengali
Partner

Place : Mumbai
Date : December 16, 2019

Place: Mumbai
Date : December 16, 2019

PRATHAM MUMBAI EDUCATION INITIATIVE

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

Name of the Public Trust: PRATHAM MUMBAI EDUCATION INITIATIVE
Income and Expenditure Account for the year end March 31, 2019 (Foreign Contribution)

EXPENDITURE	For the year ended March 31, 2019 Amount in INR	INCOME	For the year ended March 31, 2019 Amount in INR
To Expenditure In respect of properties :-		**By Rent** (accrued)	-
Rates, Taxes, Cesses	-	(realised)	-
Repairs and Maintenance	-		
Salaries	-	**By Interest (accrued)**	
Insurance	-	(realised)	
Depreciation (by way of provision or adjustment)	-	On Securities	-
Other expenses	-	On Loans	-
		On Bank Accounts	
To Establishment Expenses (See Annexure D)	7,922,084	Fixed deposit with Banks	749,848
		Bank accounts	249,809
To Remuneration to Trustees(incl. Reim. Of Convy.Exp.)	-	Quantum optima deposits	-
			999,657
To Remuneration (in the case of a math) to the head of the math including his household expenditure, if any	-	**By Dividend**	-
		By Donation in cash or kind (See Annexure C)	70,033,853
To Legal Expenses (including Professional fees)	2,186,699		
		By Grants	-
To Audit Fees			
incl. Service Tax Rs.	944,000	**By Income from other sources**	-
		Interest on Income tax refund	-
To Contribution and Fees		Sundry receipts	-
To Amount written off :		**By Transfer from Reserve**	-
(a) Bad debts	-		
(b) Loan scholarships	-		
(c) Irrecoverable rents	-		
(d) Other items - Fixed Assets Written off	-		
To Miscellaneous Expenses	-		
To Depreciation	21,518,661		
To Amount transferred to Reserve or Specific Funds	-		
To Expenditure on objects of the trust			
(a) Religious	-		
(b) Educational (See Annexure E)	54,969,334		
(c) Medical Relief	-		
(d) Relief of poverty	-		
(e) Other Charitable Objects	-		
		By deficit carried over to Balance Sheet	16,507,268
Total Rs.	**87,540,778**	**Total Rs.**	**87,540,778**

Significant Accounting Policies — **Annexure F**
Notes to the accounts — **Annexure G**

In terms of our certificate ref MB/ 79 dated December 16, 2019 attached.

For and on Behalf of Board of Trustees

Mrs. Farida Lambay
TRUSTEE
(EXECUTIVE SECRETARY)

Place : Mumbai
Date : December 16, 2019

Mr. Sharad Kale
TRUSTEE

Place : Mumbai

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mohammed Bengali
Partner

Place: Mumbai
Date : December 16, 2019

PRATHAM MUMBAI EDUCATION INITIATIVE

DELOITTE HASKINS & SELLS LLP MUMBAI CHARTERED ACCOUNTANTS

Name of the Public Trust: PRATHAM MUMBAI EDUCATION INITIATIVE
Receipt and Payment Account for the year ended March 31, 2019 (Foreign Contribution)

Receipts	For the year ended March 31, 2019 Amount in INR	For the year ended March 31, 2019 Amount in INR	Payments	For the year ended March 31, 2019 Amount in INR	For the year ended March 31, 2019 Amount in INR
Opening balance as on 1 April 2018			Expenditure on objects of the trust and other expenses		64,671,426
Savings Bank	2,059,585				
Fixed Deposit with bank	15,500,000	17,559,585	Purchase of Assets Including CWIP		12,914,940
Interest received		1,172,041			
Donation Received		62,272,730			
Refund received of Security Deposit		279,000			
			Closing balance as on 31 March 2019		
Advance utilised by Vendor / Employee		6,539,403	Savings Bank	4,538,999	
			Fixed Deposit with bank	5,900,000	10,438,999
Sale of Fixed Asset		202,606			
Total Rs.		**88,025,365**	**Total Rs.**		**88,025,365**

Significant Accounting Policies **Annexure F**
Notes to the accounts **Annexure G**

In terms of our certificate ref MB/-
dated December 16, 2019
attached.

For and on Behalf of Board of Trustees

Mrs. Farida Lambay
TRUSTEE
(EXECUTIVE SECRETARY)

Mr. Sharad Kale
TRUSTEE

Place : Mumbai
Date : December 16, 2019

For Deloitte Haskins & Sells LLP
Chartered Accountants

Mohammed Bengali
Partner

Place: Mumbai
Date : December 16, 2019

PRATHAM MUMBAI EDUCATION INITIATIVE

DELOITTE HASKINS & SELLS LLP * MUMBAI * CHARTERED ACCOUNTANTS

Pratham Mumbai Education Initiative
Annexure A - Other Fixed Assets (Foreign Contribution)

Particulars	WDV as at April 1, 2018	Rate of Depreciation	Sale / Deletion	Additions During the year			Total	Depreciation for the year	Net Block as at March 31, 2019
				Before 30.09.2018	After 30.09.2018	Total			
Computers	569,279	40%	-	92,980	42,400	135,380	704,659	273,389	431,270
Office equipment	11,934,338	15%	-	248,098	37,570	285,668	12,220,006	1,830,780	10,389,226
Vehicle	1,767,689	15%	199,600	-	-	-	1,568,089	235,214	1,332,875
	14,271,306		**199,600**	**341,078**	**79,970**	**421,048**	**14,492,754**	**2,339,383**	**12,153,371**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS * MUMBAI

PRATHAM MUMBAI EDUCATION INITIATIVE *

Pratham Mumbai Education Initiative
Annexure B - Cash and Bank Balances (Foreign Contribution)

Details	As at March 31, 2019 Amt. in FC
Bank Balances	
A.2 In Current Account with Bank	
No account	-
Sub Total (A - Current Account)	-
B. In Saving Account with Banks	
ICICI Bank Ltd. A/C No. 003201033047	2,691,264
ICICI Bank Ltd. A/C No. 003201000531	77,290
ICICI Bank Ltd. A/c No. 000401166585 [NP]	113,843
ICICI Bank Ltd. A/C No. 000401169459 (GSK Rajas)	412,405
ICICI Bank Ltd. A/C No. 000401168441 (GSK Up)	15,303
ICICI Bank Ltd. A/C No. 625901116616 (Educo)	221,206
Punjab National Bank A/C No. 4757000400012720 (UP)	17,164
State Bank of India A/C No. 30497957232	408,522
State Bank of India A/C No. 31798510047	76,576
State Bank of India A/C No. 30067319039 (Patna Account)	505,426
Sub Total (B - Saving)	**4,538,999**
C. In Fixed Deposits	
Fixed Deposit with ICICI	-
Fixed Deposit with SBI	5,900,000
Sub Total (C - Fixed Deposit)	**5,900,000**
D. In Quantum Optima Deposits	
No account	-
Sub Total (D - Quantum Optima)	-
E. Cash Balances	
A. In Hand	-
B. With Trustees	-
C. With Managers	-
Sub Total (E - Cash Balance)	-
Grand Total (A to E)	**10,438,999**

DELOITTE HASKINS & SELLS LLP * CHARTERED ACCOUNTANTS * MUMBAI

PRATHAM MUMBAI EDUCATION INITIATIVE

Pratham Mumbai Education Initiative
Annexure C - Donation in Cash or Kind (Foreign Contribution)

Particulars	For the year ended March 31, 2019
	Amt. in FC
Pratham Education Foundation	38,800,000
Fundacion Educacion Y Cooperacion	15,662,569
CBM Christoffel-Blindenmission Stubenwald	5,010,593
Barclays	2,978,447
Itx Trading Inditex	2,801,327
Michael & Susan Dell Foundation	1,900,000
Colgate-Palmolive India Pvt Ltd	1,000,000
CBM India Trust	800,000
Jochnick Foundation	454,488
Give 2 Asia	275,376
GlaxoSmithKline Pharmaceuticals Ltd	144,931
United Way of Mumbai	136,971
Others Donation	69,151
	70,033,853

DELOITTE HASKINS & SELLS LLP * MUMBAI * CHARTERED ACCOUNTANTS

PRATHAM MUMBAI EDUCATION INITIATIVE

Pratham Mumbai Education Initiative
Annexure D - Establishment Expenses (Foreign Contribution)

Particulars	For the year ended March 31, 2019
	Amt. in FC
Salary & Wages	2,402,211
Honorarium and Consultancy Fees	858,348
Insurance	133,594
Communication	47,294
Printing & Stationery	21,854
Software & Computer Consumables	16,546
Repair & Maintenance	4,083,568
Provision for Doubtful Advance	169,673
Miscellaneous expenses	188,996
	7,922,084

Annexure E - Expenditure on the objects of the Trust (Foreign Contribution)

Particulars	For the year ended March 31, 2019
	Amt. in FC
Donation Given	1,380,800
Salary & Wages	34,202,818
Honorarium and Consultancy Fee	1,143,287
Insurance	55,515
Rent	1,710,369
Communication	122,529
Teaching Learning Material	2,572,484
Training	592,201
Travel & Conveyance	5,340,129
Printing & Stationery	583,977
Software & Computer Consumables	12,675
Repairs & Maintenance	4,558,558
Miscellaneous expenses	2,693,992
Grand Total	**54,969,334**

DELOITTE HASKINS & SELLS LLP MUMBAI CHARTERED ACCOUNTANTS

PRATHAM MUMBAI EDUCATION INITIATIVE

PRATHAM MUMBAI EDUCATION INITIATIVE
FOR THE YEAR ENDED MARCH 31, 2019

Annexure F

Significant Accounting Policies

1. Basis of accounting

The Trust is a charitable organisation and is not engaged in any commercial, industrial or business activity. The financial statements of the Trust are prepared under the historical cost convention and are on accrual basis.

2. Fixed assets and depreciation

Tangible fixed assets are stated at written down values i.e. cost of acquisition less accumulated depreciation. Cost of acquisition of fixed assets includes all direct expenses relating to acquisition and installation/erection of the assets. Depreciation is calculated using written down value method, at base rates specified in New Appendix 1 to the Income Tax Rules, 1962. Depreciation are charged for the whole of the accounting year if the asset are put to use for a period of 180 days or more and at half the rates prescribed if the asset are put to use for a period less than 180 days. However, if in the assessment of the Trust an accelerated depreciation is justified, having regard to the nature of the assets and its estimated balance useful life, an appropriate higher rate is applied. No depreciation is charged in the year of deletion.

3. Donations and grants

Donations are recognised as income in the Income and Expenditure Account in the period in which the ultimate collections are reasonably be expected. Generally this does not happen prior to receipt of the amount. Earmarked donations and grants are initially credited to a liability account in the Balance Sheet and are transferred to Income and Expenditure Account in the year in which and to the extent to which the trust complies with the conditions attached to them.

4. Employee Benefits

Defined Benefit plan:

(i) Short Term Plan

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

(ii) Long Term Plan

1. For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Income and Expenditure in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

2. Provident fund is defined contribution schemes and the trust has no further obligation beyond the contributions made to the fund. Contributions are charged to income and expenditure account in the year in which it is due.

5. Foreign currency translations

Foreign currency receipts on account of donations and grants are translated at spot rates prevailing at the time of receipt into the designated accounts of the Trust. Foreign currency expenditure is recorded using the spot rates prevailing on the date of transaction (as per FIRC document).
Foreign currency monetary items of the Trust, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Trust are carried at historical cost.
Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Trust are recognised as income or expense in the Statement of Income and Expenditure.

DELOITTE HASKINS & SELLS LLP * MUMBAI * CHARTERED ACCOUNTANTS

PRATHAM MUMBAI EDUCATION INITIATIVE

6. Income Tax

The Trust is registered as a charitable trust under section 12AA of the Income Tax Act, 1961, which entitles it to full exemption from income tax provided certain conditions laid down in that Act are complied with. Provision for income tax would be made only in the year in which the Trust is uncertain of being able to fulfil these conditions.

7. Other Receipts

Other receipts include the reimbursement of expenses incurred by the Trust on various programmes which are recognised on receipt on grounds of prudence.

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS

PRATHAM MUMBAI EDUCATION INITIATIVE

PRATHAM MUMBAI EDUCATION INITIATIVE
FOR THE YEAR ENDED MARCH 31, 2019

Annexure G

Notes to the accounts

1. Branch auditors

The financial statements of the Bihar branch is audited by P. Puneet & Co (A firm of Chartered Accountants), who are not the principal auditors of the Trust.

2. Service procurements and retirement benefits

Services of teachers in the Trust are voluntary and in the absence of an employer-employee relationship between the trust and the teachers, the Trust is of the opinion that it does not have any obligation for payment of retirement benefits to the teachers. Therefore, no provisions for retirement benefit are made in its financial statements for them. However there are other assistants engaged in the programmes and back-office functions, who have been considered as employees of the trust. These employees are eligible for gratuity benefits. The Trust accounts for gratuity benefit liability based on an independent actuarial valuation, using the projected unit credit method carried out annually as at the Balance Sheet date, which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognised on a straight-line basis over the average period until the amended benefits become vested.

The amount charged to the Statement of Income and Expenditure is Rs.39,360 and the present value of the obligations as at year end is Rs.2,834,137 against Rs.3,061,614 which has been funded through contributions to a fund of the Life Insurance Corporation of India. Net obligation as on March 31, 2019 amounting to Rs.227,477 (asset).

The summary of actuarial assumptions for determining gratuity benefit liabilities is as follows on 31 March 2019:

I	Discount rate	7.76%
II	Salary escalation rate	5%
III	Attritions rate	For services 4 years and below: 25% p.a. For services 5 years and above 2 % p.a
IV	Mortality in service	Indian Assured Lives Mortality (2006-08)
V	Retirement age	58 years

3. During the year, the Hon'ble Supreme Court in another case ruled that certain allowances are to be included in computing contributions to provident fund.

The Company based on legal opinion has implemented the basis of computation in accordance with the Hon'ble Supreme Court order from 1st March, 2019.

DELOITTE HASKINS & SELLS LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

PRATHAM MUMBAI EDUCATION INITIATIVE

PRATHAM MUMBAI EDUCATION INITIATIVE
FOR THE YEAR ENDED MARCH 31, 2019

4. Cost of international travel

Summary of Cost of International travel incurred by the trust during the year.

Name of the Person	Designation	Purpose	Amount (Rs.)
Mr. Kishor Bhamre	Program Director	International certification course on Child Labour organised by "International Labour Organization" in Italy.	2,49,694
Ms.Sneha Shirgaonkar	Program In-charge	International certification course on Child Labour organised by "International Labour Organization" in Italy.	2,49,694
Mrs. Meera Gawde	Program Head	Conference in UK run by Common Purpose.	47,147
		Total	**5,46,535**

PRATHAM MUMBAI EDUCATION INITIATIVE

For Pratham Mumbai Education Initiative

Place: Mumbai
Date: December 16, 2019

Mrs. Farida Lambay
Trustee
(Executive Secretary)

Mr. Sharad Kale
Trustee

DELOITTE HASKINS & SELLS LLP
MUMBAI
CHARTERED ACCOUNTANTS
Sd.