

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRATHAM EDUCATION FOUNDATION

Report on the Financial Statements

We have audited the accompanying financial statements of **PRATHAM EDUCATION FOUNDATION** ('the Company'), which comprise the Balance Sheet as at March 31, 2016 and the Income and Expenditure Account and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, as applicable

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and order under section 143 (11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company'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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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Deloitte Haskins & Sells

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its expenditure over income and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Income and Expenditure Account, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the Directors as on March 31, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. This report does not include a statement on the matter specified in paragraphs 3 and 4 of the Order of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, as the said Order does not apply to a company licensed to operate under section 8 of the Companies Act, 2013.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)



Mohammed Bengali
Partner
(Membership No.105828)

Place: Mumbai

Date: September 28, 2016

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Pratham Education Foundation** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm Registration No. 117366W/W-100018)



Mohammed Bengali
Partner
(Membership No.105828)

Place: Mumbai

Date: September 28, 2016

Pratham Education Foundation

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No.	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
EQUITY AND LIABILITIES			
Sources of funds			
(a) Reserves and surplus	3	280,771,311	354,798,878
		280,771,311	354,798,878
Current liabilities			
(a) Trade payables (includes amount due to micro and small enterprises Rs. NIL (P.Y. Rs. NIL)	4	52,317,673	33,115,004
(b) Other current liabilities	5	217,862,572	191,859,306
(C) Short-term provisions	6	6,008,557	4,616,514
		276,188,802	229,590,824
TOTAL		556,960,113	584,389,702
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	186,480,848	145,914,603
(ii) Intangible assets	7	-	91,519
(iii) Capital work-in-progress		23,803,750	9,962,883
		210,284,598	155,969,005
(b) Long-term loans and advances	8	31,333,877	34,183,847
		241,618,475	190,152,852
Current assets			
(a) Cash and bank balances	9	275,487,572	363,866,271
(b) Short-term loans and advances	10	37,652,563	29,766,394
(c) Other current assets	11	2,201,503	604,185
		315,341,638	394,236,850
TOTAL		556,960,113	584,389,702
See accompanying notes forming part of the financial statements	1-20		

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Mohammed Bengali

Mohammed Bengali
Partner



For and on behalf of the Board of Directors

Rukmini Banerji

Director

Madhoo Chavan

Director

Place : Mumbai

Date : *September 28, 2016*

Place : Mumbai

Date : *September 28, 2016*



Pratham Education Foundation

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Note No.	Current Year (In Rupees)	Previous Year (In Rupees)
Donation and others	12	1,558,394,171	1,482,454,030
Other income	13	15,207,701	8,200,805
Total revenue		1,573,601,872	1,490,654,835
Expenses			
(a) Donation made		200,123,374	210,858,054
(b) Professional Fees		200,621,689	161,081,976
(c) Teaching learning Material		129,939,939	79,524,892
(d) Training Expenses		137,320,466	120,817,720
(e) Rent		80,920,552	56,063,146
(f) Employee Benefit Expenses	14	588,853,346	414,984,345
(g) Other Expenses	15	254,655,730	236,829,270
(h) Depreciation and amortisation expense	7	55,305,004	36,581,248
Total expenses		1,647,740,100	1,316,740,651
Excess of Income over Expenditure before/after tax		(74,138,228)	173,914,184
See accompanying notes forming part of the financial statements	1-20		

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Bengali

Mohammed Bengali
Partner



Place : Mumbai

Date : *September 28, 2016*

For and on behalf of the Board of Directors

Rukmini Baneraj *Madhau Chavan*

Director

Director

Madhau Chavan

Place : *Mumbai*

Date : *September 28, 2016*



Pratham Education Foundation
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Cash Flow Statement for the year ended MARCH 31, 2016

Particulars	For the year ended 31 March, 2016 (In Rupees)	For the year ended 31 March, 2015 (In Rupees)
A. Cash flow from operating activities		
Excess of Income over Expenditure	(74,138,228)	173,914,184
<i>Adjustments for:</i>		
Depreciation and amortisation	55,305,004	36,581,248
Gratuity expenses	2,395,260	5,177,448
Interest income	(15,166,745)	(7,083,129)
Provisions for Liabilities reversed	-	-
Interest expenses	-	-
Operating profit / (loss) before working capital changes	(31,604,709)	208,589,751
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Short-term loans and advances	(7,886,169)	(1,331,064)
Long-term loans and advances	2,830,302	28,894,506
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade Payable	19,202,669	18,973,909
Other current liabilities	25,435,792	117,683,315
Provisions	(1,003,217)	(1,851,688)
Net income tax (paid) / refunds	(1,981,888)	(2,394,610)
Net cash flow from / (used in) operating activities (A)	4,992,780	368,564,119
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(107,758,794)	(117,862,661)
Proceeds from sale of fixed assets	707,227	25,000
Bank balances not considered as Cash and cash equivalents		
- Placed	(909,958,036)	(34,340,115)
- Matured	811,851,352	27,503,699
Interest received	13,569,427	6,527,420
Net cash flow from / (used in) investing activities (B)	(191,588,824)	(118,146,657)
C. Cash flow from financing activities		
Amount received in Special assistance fund	110,661	-
Repayment of long-term borrowings	-	-
Repayment of interest on borrowings	-	-
Net cash flow from / (used in) financing activities (C)	110,661	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(186,485,383)	250,417,462
Cash and cash equivalents at the beginning of the year	343,129,855	92,712,393
Cash and cash equivalents at the end of the year	156,644,472	343,129,855
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 9)	275,487,572	363,866,271
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	118,843,100	20,736,416
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 9	156,644,472	343,129,855
Net Cash and cash equivalents (as defined in AS 3 Cash flow statement) included in Note 9	156,644,472	343,129,855
Bank balances not considered as cash and cash equivalents as defined in AS 3 Cash flow statement		
Call and Short Term Deposit Accounts Original maturity of more than 3 months and less than 12 months	100,172,374	2,536,416
Earmarked bank deposit for Special Assistance Fund	18,670,726	18,200,000
Balance held as margin money or security against guarantee	-	-

In terms of our report attached:
For Deloitte Haskins & Sells LLP
Chartered Accountants


Mohammed Bengali
Partner



For and on behalf of the Board of Directors

 
Director Director

Place: Mumbai

Date: September 28, 2016

Place: Mumbai

Date: September 28, 2016



Pratham Education Foundation

A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013

Notes forming part of the financial statements

1. Corporate Background:

The Company is primarily engaged in imparting education including vocational and technical education in various part of India. The Company was incorporated on June 24, 2002 as a private company limited by guarantee and not having a share capital and had been granted a license under 8 of the Companies Act, 2013 by Government of India, vide its letter No. 59/(25/N)/3/02/3720 dated May 30, 2002. The Company is registered under Section 6(1) (a) of Foreign Contribution (Regulation) Act, 1976 on May 22, 2006 vide Registration No 083781058. The Company is registered under Section 12AA of the Income Tax Act, 1961 vide Letter No. DIT (E)/12A/36899/2002-2003 dated December 18, 2002 as well as under Section 80 G of the Income Tax Act, 1961 vide letter no. DIT (E) / MC/80G/1895/2009-10 dated July 20, 2009. The Company is established to conduct various projects and programs in connection with or relating to education.

2. Significant Accounting Policies:

a. Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

b. Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

c. Fixed Assets and Depreciation:

Fixed assets are carried at cost less accumulated depreciation / amortization. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates and other taxes, any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Depreciation is provided on the Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, anticipated technological changes. Taking into account these factors, the Company has decided to retain the useful life hitherto adopted for various categories of fixed assets, which are different from those prescribed in Schedule II of the Companies Act, 2013.



Estimated useful lives of assets are as follows:

Class of Assets	Estimated Useful Life*
Computers	2 years
Furniture and Fixtures	4 years
Building	10 years
Office Equipment	4 years
Vehicles	5 years

*The estimated useful life of assets considered for the calculation of depreciation are consistent with those followed in the previous year.

Fixed assets, whose cost is Rs. 5,000 or less, are fully depreciated in the year of purchase.

Fixed assets purchased for specific projects are depreciated over project's period or the estimated useful life of the assets whichever is lower.

d. Intangible assets and amortization:

Intangible assets are reported at acquisition value with deductions for accumulated amortization and any impairment losses. These generally comprise of costs incurred to acquire computer software licenses and implement the software for internal use (including software coding, installation, testing and certain data conversion).

Amortization takes place on a Straight Line Method (SLM) basis over the asset's anticipated useful life. The useful life is determined based on the period of the underlying contract and the period of time over which the intangible asset is expected to be used and generally does not exceed 10 years. Based on current estimates of useful life, software licenses are being amortized at a SLM rate of 50%. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

e. Donations:

Donations are recognized as income in the Income and Expenditure Account in the period in which the collections are actually received. 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 Company complies with the conditions attached to them. Donations related to depreciable assets are treated as deferred income which is recognized in the Income and Expenditure Account on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged. However, if a grant related to a non-depreciable asset requires the fulfillment of certain obligations, the grant is credited to income over the same period over which the cost of meeting such obligations is charged to income.

f. Contribution received as re-imbusement of expenses:

In respect of projects sponsored by other organizations, where the expenditure on the project are reimbursable by those organizations are accounted as recoverable expenses and carried as receivable till such time it is recovered. In the event recovery becomes uncertain, the amount so carried forward is charged to the Income and Expenditure Account.



g. Foreign currency transactions and 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 Company. Foreign currency expenditure is recorded using the spot rates prevailing on the date of transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

h. Employee Benefits:

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.

Long Term Plan

Defined Benefit plan:

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 Profit and Loss 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 amortized on a straight-line basis over the average period until the benefits become vested.

i. Lease Accounting:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Income and Expenditure Account on a straight line basis over the period of the lease unless another systematic basis is more representative of the time pattern of the company's benefit.

j. Income Tax:

The Company is registered under section 12AA of the Income Tax Act, 1961 which entitles it to exemption from income tax, provided certain conditions laid down in the Income Tax Act, 1961 are complied with. Provision for income tax would be made only in the year in which the Company is unable to establish reasonable certainty of its ability to fulfill these conditions. The Company has not accounted the impact of deferred tax as there is no provision for income tax.

k. Operating Cycle

The company has determine its operating cycles as 12 month for the purpose of classification of its assets and liabilities as current and non-current.



Notes forming part of the financial statements

Note 3 Reserve and Surplus

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
(a) General Reserve		
Balance at beginning of the year	336,598,878	167,684,694
Add: Excess of Income or Expenses as per Income and Expenditure Account	(74,138,228)	173,914,184
Add:- Transfer from Special Assistance fund	4,639,935	
Less: Appropriations Special Assistance Fund	(5,000,000)	(5,000,000)
	262,100,585	336,598,878
(b) Special Assistance Fund		
Balance at beginning of the year	18,200,000	13,200,000
Add: Transfer during the year from general reserves	5,000,000	5,000,000
Add: Amount received during the year	110,661	-
Less : Utilization during the year (Transfer Back to General Reserve)	4,639,935	-
	18,670,726	18,200,000
Total	280,771,311	354,798,878

Note 4 Trade payables

Trade payables consists of the following:

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
Creditors for Expenses:		
Creditors for Expenses	52,317,673	33,115,004
Total	52,317,673	33,115,004

Note 5 Other Current Liabilities

Other Current Liabilities consists of the following:

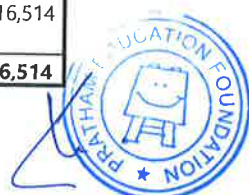
Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
Statutory Remittance	73,309,751	3,632,775
Unutilised amount from Earmarked Funds received (Refer Note below)	142,446,569	180,059,708
Deferred Income	378,435	5,760,189
Capital Creditors	1,727,817	1,160,343
Other Payables	-	1,246,291
Total	217,862,572	191,859,306

Note: The amount unutilised from Earmarked Funds represent amount received from various donor and sponsors for specific projects under taken/ to be undertaken by the company which have remained unutilized as at the Balance Sheet date.

Note 6 Short-term provisions

Short-term provisions consists of the following:

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
Provision for Employee Benefit Gratuity (Refer Note 17)	6,008,557	4,616,514
Total	6,008,557	4,616,514



Pratham Education Foundation
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements

Note 7
Fixed Assets

Particulars	Gross Block (at Cost)				Depreciation			Net Block	
	Opening Balance as on April 1, 2015	Additions during the year	Deletion during the year	Closing balance as on March 31, 2016	Opening Balance as on April 1, 2015	Depreciation for the year	Deletion/ (adjustment) during the year	As on March 31, 2016	As on March 31, 2015
Tangible Assets									
Computers	58,149,818	57,576,445	-	115,726,263	35,209,041	25,215,704	(7,698)	55,293,820	22,940,777
	33,891,482	24,291,036	32,700	58,149,818	22,662,355	12,554,386	7,700	22,940,777	
Office Equipment	50,313,395	17,087,681	-	67,401,076	32,118,075	14,822,421	-	20,460,580	18,195,320
	42,421,577	7,891,818	-	50,313,395	18,774,644	13,343,431	-	18,195,320	
Furnitures & Fixtures	27,259,845	13,441,055	-	40,700,900	18,113,632	9,856,717	-	12,730,551	9,146,213
	15,060,905	12,198,940	-	27,259,845	10,759,041	7,354,591	-	9,146,213	
Vehicle	13,386,480	3,654,870	1,066,488	15,974,862	2,774,147	2,895,082	359,261	10,664,894	10,612,333
	4,865,661	8,520,819	-	13,386,480	763,141	2,011,005	-	10,612,333	
Land	55,530,139	-	-	55,530,139	-	-	-	55,530,139	
	19,734,994	34,745,145	-	54,480,139	-	-	-	54,480,139	
Leasehold improvement	14,975,368	-	-	14,975,368	1,109,286	600,656	-	13,265,426	13,866,082
	14,975,368	-	-	14,975,368	554,643	554,643	-	13,866,082	
Buildings	16,294,909	4,734,605	-	21,029,514	671,170	1,822,905	-	18,535,438	15,623,739
	1,050,000	16,294,909	-	17,344,909	-	671,170	-	16,673,739	
TOTAL Tangible	235,909,954	96,494,656	1,066,488	331,338,122	89,995,351	55,213,485	351,563	186,480,848	145,914,603
Previous Year	131,999,987	103,942,667	32,700	235,909,954	53,513,824	36,489,226	7,700	145,914,603	
Intangible Assets									
Computer Software	635,544	-	-	635,544	544,025	91,519	-	635,544	91,519
	635,544	-	-	635,544	452,002	92,023	-	91,519	183,542
TOTAL intangible	635,544	-	-	635,544	544,025	91,519	-	635,544	91,519
Previous Year	635,544	-	-	635,544	452,002	92,023	-	91,519	183,542
Total	236,545,498	96,494,656	1,066,488	331,973,666	90,539,376	55,305,004	351,563	186,480,848	146,006,122
Previous Year	132,635,531	103,942,667	32,700	236,545,498	53,965,827	36,581,248	7,700	146,006,122	78,669,705



Pratham Education Foundation**(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)****Notes forming part of the financial statements****Note 8 Long-term loans and advances**

Long-term loans and advances consists of the following:

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
(a) Loans and advances to related parties (Refer Note 19)	-	-
(b) Security deposits, unsecured, considered good	20,667,449	22,836,088
(c) Prepaid expenses - Unsecured, considered good	-	661,663
(d) Capital Advance	6,289,930	8,291,486
(e) Advance Income Tax (TDS Recoverable)	4,376,498	2,394,610
Total	31,333,877	34,183,847

Note 9 Cash and Bank Balances

Cash and Bank Balance consists of the following:

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
Cash and Bank Balance as defined in Accounting Standard (AS-3)		
(a) Cash on hand	-	-
(b) Balances with banks		
(i) In current accounts	-	84,952
(ii) In Saving accounts	145,644,472	103,044,903
(iii) Call and Short Term Deposit Accounts (Original Maturity upto 3 months)	11,000,000	240,000,000
	156,644,472	343,129,855
Other Balances with Banks:		
(a) Call and Short Term Deposit Accounts Original maturity of more than 3 months and less than 12 months from the balance sheet date	100,172,374	2,536,416
(b) Earmarked bank deposit for Special Assistance Fund	18,670,726	18,200,000
(c) Balance held as margin money or security against guarantee (refer Note below)	-	-
	118,843,100	20,736,416
Total	275,487,572	363,866,271

Note :- Balance with banks includes deposits with remaining maturity of more than 12 months from the balance sheet dated aggregating Rs. 5,49,50,000.



Pratham Education Foundation**(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)****Notes forming part of the financial statements****Note 10 Short-term loans and advances**

Short - term loans and advances consist of the following unsecured loans and advances considered good.

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
(a) Loans and advances to related parties (Refer Note 19)	13,360,662	12,036,576
(b) Amount recoverable from sponsored projects	-	6,083,364
(c) Loans and Advances to Others	20,562,041	9,106,025
(d) Prepaid expenses	3,729,860	2,540,429
Total	37,652,563	29,766,394

Note 11 Other Current Assets

Other Current Assets consists of the following:

Particulars	As at March 31, 2016 (In Rupees)	As at March 31, 2015 (In Rupees)
(a) Interest accrued on fixed deposit	2,201,503	604,185
Total	2,201,503	604,185



Pratham Education Foundation
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements

Note 12 Donation & Others

Particulars	Current Year (In Rupees)	Previous Year (In Rupees)
Donation Received	1,558,394,171	1,482,454,030
Total	1,558,394,171	1,482,454,030



Pratham Education Foundation
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements

Note 13 Other income

Other income consists of the following:

Particulars	Current Year (In Rupees)	Previous Year (In Rupees)
(a) Interest from banks on:		
Fixed Deposits	11,086,043	3,971,119
Saving Accounts	4,080,702	3,112,010
(b) Miscellaneous Income	40,956	1,117,676
Total	15,207,701	8,200,805



Pratham Education Foundation

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes forming part of the financial statements

Note 14 Employee Benefit Expense

Employee Benefit Expense consists of the following:

Particulars	Current Year (In Rupees)	Previous Year (In Rupees)
Salaries	509,281,562	409,806,897
Contributions to provident fund	72,536,589	-
Gratuity expense	2,395,260	5,177,448
Staff welfare	4,639,935	-
Total	588,853,346	414,984,345

Note 15 Other Expenses

Other Expenses consists of the following:

Particulars	Current Year (In Rupees)	Previous Year (In Rupees)
Repair & Maintenance	29,737,893	32,831,579
Communication	19,425,271	14,367,405
Travel & Conveyance	142,060,741	130,989,078
Audit Fees (inclusive of service tax)	2,012,500	2,415,740
Electricity Charges	9,869,518	6,980,089
Insurance Charges	916,871	6,413,100
Printing & Stationery	11,805,460	15,235,487
Software & Computer consumables	4,957,310	4,247,144
Miscellaneous Expenses	33,870,166	23,349,648
Total	254,655,730	236,829,270



Pratham Education Foundation**(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)****Notes forming part of financial statements****16. Earnings and Expenditure in foreign Currency**

Particulars	Current Year (In Rupees)	Previous Year (In Rupees)
(a) Earnings in Foreign Currency:		
Donations	890,803,903	1,052,402,211
Note: The above includes funds received from various donors and sponsors for specific projects undertaken by the Company, which have remained unutilized at the balance sheet date	25,134,641	179,093,654
(b) Expenditure in Foreign Currency:		
Travelling Expenditure	1,747,313	320,998

17. Details of Gratuity Plans are as follows:

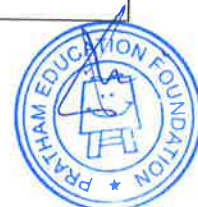
The Company has a funded scheme and is investing the Gratuity liability into a Gratuity Trust, which is being managed by Life Insurance Corporation Limited. The Company accounts for gratuity benefit liability based on an independent actuarial valuation, using the projected unit credit method carried 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. Actuarial gains and losses are recognised immediately in the Statement of Income and Expenditure as income or expense.

i. Amount to be recognised in Balance Sheet and Movement in net liability :

Particulars	(In Rupees)	
	As at 31.03.2016	As at 31.03.2015
Present Value of Funded Obligation	8,941,087	7,352,885
Fair value of Plan Assets	(2,932,530)	(2,736,371)
Net Liability recognised in the Balance Sheet	(6,008,557)	4,616,514

ii. Expenses recognised in the Income and Expenditure Account :

Particulars	(In Rupees)	
	Year Ended 31.03.2016	Year Ended 31.03.2015
Current Service Cost	2,641,694	1,294,668
Interest on Defined Benefit Obligation	371,168	116,555
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains) recognised during the year	(617,602)	3,766,225
Net expenses included in payments to and provision of employees	2,395,260	5,177,448



iii. Reconciliation of Benefit Obligation :

(In Rupees)

Particulars	As at 31.03.2016	As at 31.03.2015
Opening Defined Benefit Obligation	7,352,885	2,755,991
Current Service Cost	2,641,694	1,294,668
Interest Cost	591,172	248,866
Actuarial Loss (due to experience)	280,670	1,973,623
Actuarial Loss (due to change in financial assumptions)	(1,876,757)	1,079,737
Benefits Paid	(48,577)	-
Closing Defined Benefit Obligation	8,941,087	7,352,885

iv. Reconciliation of Fair Value of Plan Assets :

(In Rupees)

Particulars	As at 31.03.2016	As at 31.03.2015
Opening Fair Value of Plan Assets	2,736,371	1,465,237
Expected Return on Plan Assets	220,004	132,311
Actuarial Gain	(978,485)	(712,865)
Contributions by Employer	1,003,217	1,851,688
Benefits Paid	(48,577)	-
Closing Fair Value of Plan Assets	2,932,530	2,736,371

v. Actual Return of Plan Assets :

(In Rupees)

Particulars	As at 31.03.2016	As at 31.03.2015
Expected Return on plan assets	220,004	132,311
Actuarial Gain (loss) on plan assets	(978,485)	(712,865)
Actual return on plan assets	(758,481)	(580,554)

vi. Details of description of plan assets are not available with the Company.

vii. Experience Adjustments :

(In Rupees)

Particulars	As at 31.03.2016	As at 31.03.2015
Defined Benefit Obligation	8,941,087	7,352,885
Plan Assets	2,932,530	2,736,371
Surplus/(Deficit)	(6,008,557)	(4,616,514)
Experience Adjustment on Plan Liabilities	(1,876,757)	1,973,623
Experience Adjustment on Plan Assets	(978,485)	(712,865)

viii. Summary of Actuarial Assumptions :

(In Rupees)

Particulars	As at 31.03.2016 (%)	As at 31.03.2015 (%)
Discount Rate	7.84	8.04
Expected Rate of Return on Assets	7.84	8.04
Salary Escalation Rate	5.00	5.00
Attrition Rate Age (Years):	40	40
00-04 Years	2	2
05& Above		
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate (LIC 1994-96 Mortality tables)	
Retirement age	60 years (Previous year 60 years)	



The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

Expected rate of return on plan assets is taken on the basis of the average long term rate of return expected on investments of the Gratuity Fund during the estimated term of the obligation.

ix. Expected contribution

(In Rupees)	
As at 31.03.2016	As at 31.03.2015
6,008,557	4,616,514

18. The Company operates in one business segment, which is imparting education including vocational and technical education and its activities are carried out within India. This in context of AS – 17 on Segment Reporting, as specified in the Companies Act 2013, are considered to constitute one primary and secondary segment.

19. Related parties disclosures - As required by Accounting Standard -18, "Related Party Disclosures"- (As identified by the management)

Names of related parties and nature of relationship

a) Enterprises over which key managerial person is able to exercise significant influence:-

- i) Pratham Mumbai Education Initiative
- ii) Pratham Institute for Literacy Education and Vocational Training
- iii) Aser Centre
- iv) Niramaya Health Foundation

b) Key Managerial Person :-

- i) Dr. Rukmini Banerji, CEO
- ii) Dr. Madhav Chavan, Director

Enterprise where there is Significant Influence (where transactions exist)

Particulars of Related parties	Current Year (In Rupees)	Previous Year (In Rupees)
1. Donation Received		
Pratham Mumbai Education Initiative	-	9,050,000
ASER Centre	-	5,500,000
	-	14,550,000
2. Donation made		
Pratham Mumbai Education Initiative	125,000,000	151,485,000
Pratham Institute For Literacy Education and Vocational Training	33,331,500	-
	158,331,500	151,485,000
3. Advance given /(taken) during the year		
Pratham Mumbai Education Initiative (Net)	(215,673)	(39,236,861)
Pratham Institute For Literacy Education and Vocational Training (Net)	3,760,928	6,713,151
ASER Centre (Net)	74,958	(3,568,531)
Total	3,620,213	(36,193,569)



4. Advance receivable/(Payable)		
Pratham Mumbai Education Initiative	74,311	289,984
Pratham Institute For Literacy Education and Vocational Training	13,110,346	9,349,418
ASER Centre	176,005	101,047
Total	13,360,662	9,740,449

Remuneration paid to Key Managerial Person Rs. 6,600,000 (P.Y. Rs. 3,000,000)

20. Previous year's figures:

Previous year's figures have also been regrouped to conform to this year's classification.

For Pratham Education Foundation



Rukmini Banerji *Madhavi Chavhan*

Director

Director

Place: *Mumbai*

Date: *September 28, 2016*

