

INDEPENDENT AUDITOR'S REPORT

To the Members of Salaam Bombay Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Salaam Bombay Foundation ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Income and Expenditure and Cash Flow Statement for the year then ended, and a summary of 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 accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control 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. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2017, the excess of income over expenditure, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. The report does not include a statement on matter specified under the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanation given to us, the said order is not applicable to the Company.



SRBC & CO LLP

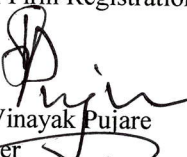
Chartered Accountants

2. 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 purpose 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, Statement of Income and Expenditure, and 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, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 to this report;
 - (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.
 - iv. The Company has provided requisite disclosures in Note 28 to these financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


Per Vinayak Pujare
Partner

Membership Number: 101143

Place: Mumbai

Date: 19 SEP 2017



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SALAAM BOMBAY FOUNDATION**Report on the Internal Financial Controls 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 Salaam Bombay Foundation ("the Company") as of March 31, 2017 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 the 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 internal financial controls system over financial reporting.

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;



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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.

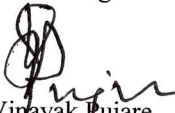
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 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, 2017, 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 SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003


per Vinayak Pujare
Partner
Membership Number: 101143



Place: Mumbai

Date: 19 SEP 2017

BOARD OF DIRECTOR'S REPORT

To the Members,
SALAAM BOMBAY FOUNDATION
Mumbai

Your Directors have pleasure in submitting the Fifteenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS:

The summarized standalone results of your Company are given in the table below:

(Amt.Rs.lakhs)

Particulars	Financial Year Ended	
	31/03/2017	31/03/2016
Revenue from Operations	287.68	135.47
Other Income	344.37	302.06
Total Income	632.05	437.53
(Deficit)/ Surplus before Depreciation & Tax	34.19	0.48
Less: Depreciation	25.43	27.11
Less: Provision for Income Tax (including for earlier years)	NIL	NIL
Less: Provision for Deferred Tax	NIL	NIL
(Deficit)/ Surplus After Tax	8.75	(26.63)
Add: Surplus brought forward from previous year	771.78	798.41
Less: Amount Transferred to General Reserve	NIL	NIL
Surplus carried to Balance Sheet	780.54	771.78

STATE OF AFFAIRS

Salaam Bombay Foundation started in 2002, to work with children in Mumbai's slums. Children in slums live in extreme poverty and in 'at risk' environments. They drop out of school; face the risk of child labor and substance abuse, tobacco use in particular. We work with these 'at risk' kids in programs that engage them through arts and sports (after school academies) and in-school programs (leadership and advocacy) that helps build their confidence, self-esteem and recommit them to stay in school. We are currently in about 262 schools in Mumbai.

PROJECTS UNDERTAKEN DURING THE YEAR

➤ **Super Army (Awareness & Advocacy)**

At the core of Salaam Bombay Foundation's tobacco control mission is our In-school leadership program - Project Super Army. This program recruits and trains a child to become the soldier who fights the menace of tobacco. Project Super Army uses an intensive, multi-pronged strategy that includes:

- Building awareness about the harmful effects of tobacco on health
- Developing life skills needed to refuse tobacco
- Empowering students to become advocates for change in their communities



In the year 2016-2017, Salaam Bombay Foundation reached 32,295 students (directly) in 262 BMC schools in Mumbai.

Beginning with making schools and neighborhood tobacco free, these children work with government departments like the Police, Food & Drug Administration, Media, Health and Education departments to protect the public from tobacco, warn them about the dangers of tobacco use, and enforce bans on tobacco advertising, promotion and sponsorship.

The Super Army students went ahead and conducted tobacco awareness sessions in 87 police stations of Mumbai. Approximately 1830 policemen were sensitized on COTPA 2003 and motivated to make their respective police stations tobacco-free & take oath for themselves that they will take action on tobacco shops which were violating COTPA 2003.

Awareness sessions were conducted at 19 BEST depots for the staff. 2,680 employees were sensitized to make the depot tobacco-free

Raksha Bandhan activities were conducted with 109 tobacco vendors by 1759 students and took their promises that they would not sell tobacco products to the children.

Ganpati festival activity was conducted in 413 Ganpati Mandals and altogether 493 students participated.

Every year poster making, Drama and song competitions are organized for the students of Super Army school at zonal level. This provides an excellent opportunity for the children of 7th and 8th grade to showcase their talent. This year 4 zonal events were organized from Jan 10th to Jan 14th, 2017. Overall 129 schools registered for knock out round, out of which only 79 schools could make it to the finals. 63 posters were displayed, 64 melodious songs were sung and 41 plays with strong tobacco control messages were performed during 4 days of zonal events. The platform provided an opportunity to 834 students to showcase their talent.

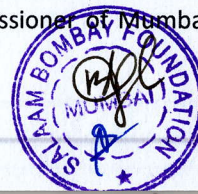
The Bal Panchayat and Bal Parishad are forums for students to voice concerns and create action on issues related to tobacco control. The Bal Panchayat are in-school student health council and Bal Parishad is the city-wide inter-school annual meet. This year, Bal Parishad was organized on The Occasion Of World Cancer Day i.e. Feb 3th, 2017 at Dr. Baba Saheb Ambedkar municipal school. 157 Bal Panchayat leaders from 99 schools were present at the Parishad to have one-to-one interaction with the stakeholders. The occasion was graced by Mr. Chandrashekar Salunkhe from FDA Maharashtra, Mr. Pravin Kumar Patil, enforcement DCP Mumbai Police, Mr Prakash Charate from Education Dept, Dr Nilam Kadam from BMC Health Dept and Ms. Unija Shaikh, Chief Bureau of Zee News.

Raksha Bandhan is one of the advocacy level activities conducted by students for, making schools tobacco-free. In this activity students make big rakhi with anti-tobacco messages like "Sehat ki Rakhi" and tie it to the school principals, teachers, students and other staff with an appeal to stay away from tobacco products. Students also tie these rakhi to tobacco vendors and get an assurance from them of not-to-sell tobacco products at their outlets. The children also tie rakhi to the stakeholders at BMC, Mumbai Police and Chief Minister, Mumbai police Commissioner to express gratitude for their support towards tobacco control program. This year's rakhi activity was focused towards getting commitment from all the stakeholders in support of tobacco-free schools. 1759 students from 162 schools participated in raksha bandhan activity. Rakhi making workshop and exhibition was organized in 5 schools. The money generated was used in making the necessary boards for Tobacco Free School Criteria.

World No Tobacco Day

On May 31st (World No Tobacco Day), Salaam Bombay Foundation aims to spread awareness about the ill effects of tobacco among masses. This year Oral Camp for Western Railway employees was organized, the doctors were from Indian Dental Organization they provided Cessation tips and ill effects. During the occasion of WNTD anti-tobacco messages were also broadcasted on the trains of Western Railway.

A study was released named SNAP (Stop Neighborhood Advertisements of Tobacco Products) on this occasion of WNTD, through this report Salaam Bombay Foundation highlighted the Tobacco industry's marketing tactics to attract the students. Through SNAP continuous follow-up was done with the various stakeholders of tobacco control in the year 2016-2017. The report was submitted to the Commissioner of Mumbai Municipal



Corporation and BMC's Licensing Department for further action. The departments have taken action on 192 shops from June 2016 to December 2016.

➤ **SPORTS ACADEMY:**

Sports is a very effective method to build life skills with children. It also reinforces the message against tobacco for good health. The program aims to seek talent in Municipal school children to give them a lifetime opportunity to be part of a world-class sporting experience. It gives children an option to consider sport as a vocation and instills the belief that achievement comes from perspiration and not from substance abuse. Our effort is to encourage children to find role models and heroes within themselves. The children not only train at sports with high standards but also learn life-skills like focus, leadership, stress management, concentration, emotion management and teamwork that will help them as sportspersons but more importantly through life. We were one of the four organizations, worldwide, to have received an Award from International Olympic Committee for innovative sports for children from poor communities and to support sports among girls and increase fitness among children of the academy

- **SALAAM BOMBAY CRICKET ACADEMY:**

This project helps recognize talent in a section of society that could only aspire to play 'galli-nukkad' cricket. Currently the Academy has 327 students, of which 287 children from 11 schools trained for tennis ball cricket at the school itself. 40 best children were selected to play at the nets with Chandrakant Pandit's Cricket Clinic. 44 girls were trained in 2 groups this year under a lady coach. 4 children were invited back for a refresher training by Kevin Pietersen Foundation to Dubai. The children participated in external matches and also played internal matches amongst themselves. 84 boys teams and 15 girls teams participated in the tennis ball tournament. A special effort was taken to increase the participation of girls in cricket. A corporate participated in the Little Masters Challenge and played with the Senior cricket team of Salaam Bombay Cricket Academy.

- **SALAAM BOMBAY HOCKEY ACADEMY:**

The academy was launched in 2008 under the leadership of renowned Hockey Coach Mr. Mir Ranjan Negi, in association with Abhi Foundation. This year we tied up with Mr Stanley Thomas a national level player to train our children. 60 children from 2 schools are being trained for Hockey. 4 teams, 2 boys and 2 girls' teams participated in the MSSA and DSO tournaments.

➤ **ARTS ACADEMY:**

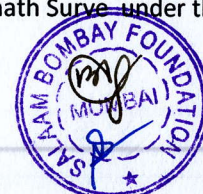
Salaam Bombay Foundation's Arts Academy takes initiative in providing training opportunities to school children in skill development through Theatre, music, dance and creative art with the aim to encourage them being a responsible citizen and equipped with the ability to take the right decisions in life. These 3 years of training process bring them various opportunities to showcase their talents and get exposure. Students receive basic level, advance level and graduate level training in the particular academy where the trainer or expert nourish them with new techniques, creative aspects, personality building or grooming.

The Arts Academy had 601 students from 19 BMC and Government aided Schools in the year 2016-17

This year Salaam Bombay adapted the old classic movie 'Chalti ka naam gaadi' into a musical stage play at Rangsharda and YB Chavan Auditoriums which was a huge success and received huge appreciation from audience.

- **SALAAM BOMBAY THEATRE ACADEMY –**

The Theatre Academy focuses on the Theatre techniques including Acting, script-writing, direction and technical aspects of production with creativity and aesthetics involved in this art form. This Academy during the training process mainly focus on improving performance skills on the stage, building up confidence and personality development to face the stage and audience comfortably. Children are given specialized training and guidance by Mr. Sachin Jadhav, Mr. Vidhyanath Surve under the guidance of Ms. Meena Naik - a veteran theatre and film personality.



Training is conducted in seven batches in four schools covering 162 students. We have appointed 3 Graduate students as Assistant Trainers in the Academy. These assistant trainers train the first year batch independently and confidently. Along with the trainers, many ex-students, now collegians have also shown their desire to work with Salaam Bombay Foundation to help the budding young artists, while pursuing their studies, in building career in theatre, hence the SBF has set up a Repertory Company for the purpose.

Students have learnt different theatre techniques through workshops conducted by the NSD, Theatre and film professionals like Mr. Chandra Mohan, Mr. Milind Enamdar and Mr. Chandan Shive.

Our children have performed at various events at Nehru Science Centre, State level Drama competition and many internal events held within SBF. Children of the Academy have won various awards at these events. Two students cracked the Yash Raj Films audition for a Bollywood feature film. The students also got opportunity to sing With Playback Singer 'Shaan' in an online music radio 'Saavn'.

- **SALAAM BOMBAY DANCE ACADEMY –**

- **Kathak Dance**

The Kathak Dance academy trains the students in Classical dance form called 'Kathak' under the guidance of eminent Kathak exponent Smt. Anjali Gupta and Ms. Samruddhi Joshi, who has done 'Alankar' (MA) in Kathak from Gandhrav Mahavidyalaya, Pune.

This year we had 158 children from 5 BMC schools being trained for two days a week in six batches. Through the training, children showcased their dancing talents on different platforms by participating in various competitions and events held across Mumbai.

- **Western Dance**

The Western Dance Academy has two parts: Bollywood free style and Western Contemporary form of dance under the training guidance of Mr. Shiamak Davar, Mr. Norden Sherpa & Mr. Krishna Patel respectively.

Victory Arts Foundation (VAF), nurtured by the distinguished choreographer Shiamak Davar, trains the children in Western form of dance. 87 students from three BMC schools undertake training in Western classical dance in three batches.

Happy feet trained 30 students.

- **Western Contemporary Dance:**

A batch of 41 students are being trained under the guidance of Mr. Norden Sherpa, dancer and choreographer of international repute.

A new batch of Graduate students are also being trained under the guidance of Mr. Norden Sherpa, who gives them professional level training. He also trained our 4 assistant trainers.

- **SALAAM BOMBAY MUSIC ACADEMY –**

20 children are trained in Hindustani Classical singing at Ajivasan Gurukul headed by Pt. Suresh Wadkar.



- **Song Bound Academy**

Songbound is an UK based organization. We have started branches of Songbound Academy in two schools. Around 70 students are trained in choir singing in this Academy.

Special batch of 25 students have been formed in Music Academy for special performances.

- **SALAAM BOMBAY CREATIVE ACADEMY –**

Ms. Arpita Mohata, erudite artist in painting, has voluntarily offered to train the children of Creative Arts. Students receive basic technical knowledge of drawing under her guidance. Two batches consisting of 29 students have been trained in drawing this year.

Students got an opportunity to learn Block painting, Greeting Card making and Calligraphy in various creative workshops conducted by veteran individuals and foundations. Students also witnessed and enjoyed play 'Gandhi' at NCPA and visited exhibition.

➤ **SALAAM BOMBAY MEDIA ACADEMY –**

Salaam Bombay's Media Academy takes initiatives providing training opportunities to school children and focuses on improving language skills, presentation techniques, building confidence and paraphrasing topics for interpretation, helping students in expressing themselves effectively. Project Resume of Media Academy trains the students in **Media, Leadership training and Photography**. During the three years of training the students are trained with Basic level, Advanced level and Graduate level skills. The training happens for **2 hours sessions weekly**, in school hours where the required materials are provided by the Media Academy. During the training period the students are taken for exposure visits and provided with various opportunities to showcase their talents and learn.

Our Academy has executed 'School Level Exhibitions' in seven schools. 2535 students, 63 teachers and 12 head masters participated in these exhibitions, resulted into a successful platform for highlighting the academy and its students' success at larger level. It played a vital role in motivating junior students to participate in the academy in coming year.

The Media Academy had enrolled 355 students from 10 BMC and Govt. schools in the year 2016-2017.

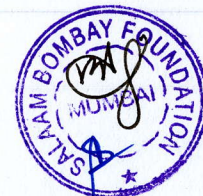
- **Media & Leadership Training**

Media and Leadership Training focuses on Writing skill, reading skill, confidence, leadership, news and report writing skills and understanding the ethics of journalism among students. Trainers put their effort in providing the students theoretical as well as practical details in training processes.

3 trainers train students for 2 hours in a week for 7 sessions.

19 articles written by students were published in local newspapers and 5 articles in Badlapur Times Local Magazine.

Our students were taken for various exposure visits to IBN Lokmat channel (Marathi news channel), Mumbai Samachar Printing Press, World Loud Day 'Story Telling' Workshop, events, exhibitions and provided various opportunities to meet explore their talent and meet and interact with the professionals.



- **Photography**

The students involved in Photography learn its basics and creative aspects of clicking pictures. Students also get trained in video shoot and mobile shoot for social media. The Media Academy's 2 trainers train the students.

Professional trainer Mrs. Jeroo Mulla and Mr. Dhiman Chatterjee gave basic training to students in photography, helping students building sense of clicking pictures and aesthetics involved in capturing images through camera.

During the training period Media Students also paid visits to Jahangir Art Gallery for street photography exhibition. Students also shoot pictures at Mahalaxmi Dhobi Ghat for photo story. Five selected students from the academy enjoyed clicking images on theme 'Street Photography' for Salaam Bombay Table Calendar, among which 12 best pictures can be seen printed on the Calendar 2017.

➤ **RESEARCH:**

In 2016-2017, Salaam Bombay Foundation's research activities focused on developing digital tools, monitoring tobacco industry tactics, and developing universal tools and surveys for advocacy monitoring and rural monitoring and evaluation.

- **100 yards**

An observational survey was conducted by Salaam Bombay Foundation to monitor compliance to COTPA section 6 in 110 schools (including BMC and government-aided schools) in Mumbai in 2016. Field investigators were trained for in-depth understanding identifying tobacco shops within 100 yards of school. They collected information on number of tobacco shops operating within 100 yards of school, structure and type of tobacco shop, whether the tobacco shops have license and compliance display of warning board in tobacco shops. Data cleaning, entries and analysis were done and report was prepared for the same. This study found that, out of 110, 62 schools (56.4%) had tobacco shops operating within 100 yards. Survey revealed that total 103 tobacco shops are operating within 100 yards of 62 schools. Among 103 shops, 73 (70.9%) shops are permanent type and 30 (29.1%) of shops are temporary type (pan tapri). Only 9 (8.7%) of tobacco shops have displayed license number. About 81 (78.6%) are exclusive tobacco product shops, 20 (19.5%) are general stores selling tobacco products and 2 (1.9%) are fruit juice/tea/coffee centre selling tobacco products. Only 13 (12.6%) of shops have displayed warning boards

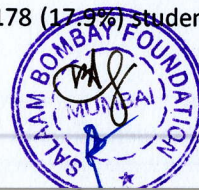
- **Point of sale**

An observational study was undertaken to assess the status of implementation/ enforcement of Section 5 of COTPA in Mumbai in 2016. This field survey was conducted by trained field investigators from Salaam Bombay Foundation. The survey was done in 103 tobacco selling shops and was observed for compliance with Section 5. Along with the observation, field investigators were instructed to capture possible visual evidences (photographs) of any observed violation. Data cleaning, entries and analysis were done and report was prepared for the same. Out of 103 tobacco shops surveyed, 29.1% (n=30) of shops contravenes the provisions under COPTA section 5 and display tobacco advertisements. Majority of advertisements (60%, n=18 and 36.7%, n=11) are present below the counter and inside the shop respectively. It was observed that cigarette manufacturing companies such as ITC Ltd. (53.3%, n= 16) and Godfrey Phillips India (GPI) Ltd. (16.7%, n=5) are the most visible tobacco advertisers. 88.3% (n=91) shops have placed tobacco products near candy/biscuits/chips/ school supplies or snacks as this is most commonly purchased by children

- **Publications**

This year 2 articles were published for Salaam Bombay Foundation.

1. **Smokeless tobacco use and perceptions of risk among students in Mumbai municipal schools (Indian Journal of Cancer)**- This cross-sectional survey was performed among 1053 students in the 8th and 9th grades in 16 municipal schools in Mumbai. Even use of smokeless tobacco was reported by 47 (4.7%) students in the survey. Twenty-nine (2.9%) students reported even using smoked tobacco. Students were more likely to identify cigarettes and bidis as tobacco products compared to smokeless tobacco products such as gutkha, mishri, and khaini. Betel nut products were used by 178 (17.3%) students. The



high rate of smokeless tobacco and betel nut use coupled with low levels of knowledge about their contents and harms suggests that tobacco control programs targeting youth should ensure that these products are adequately explained and understood by students.

2. Factors associated with tobacco use in students attending local government schools in Mumbai, India (Asia Pacific Journal of Cancer Prevention)-

A self-administered questionnaire was completed by 1918 students from grades 7, 8 and 9 in 12 schools in July 2015 to record data on socio-demographic characteristics, tobacco use and tobacco-related knowledge, attitudes and beliefs. Although only 1% of respondents thought tobacco was cool, nearly 35% were unaware of associations between tobacco use and health problems. Male students were almost twice as likely to have ever used tobacco compared to females and Supari (areca nut) users were eight times more likely than Supari non-users. Tobacco-users were more likely to agree with statements: People who use tobacco have more friends', 'Smoking relieves stress' and 'It is possible to purchase any tobacco product within 100 yards of school'.

3. Third article entitled "Three-year study of illegal tobacco sales surrounding urban schools in Mumbai" (2013-2015) was written and sent to publication in Indian Journal of Health Science in the month of May 2016. It is under editorial and peer review.

➤ **SKILLS@SCHOOL:**

- **Enrollment**

The program was able to reach 992 students (570 girls and 422 boys) as of March 31, 2017 with an additional 245 students trained in short term courses in Retail by Tata Trent and Hobby Ideas by Pidilite. Out of the 992 enrolled, we trained 876 students (as compared to 464 students trained in FY 15-16). The skills@school team witnessed a decrease in dropout rate from 17% in FY 15-16 to 12% in FY 16-17.

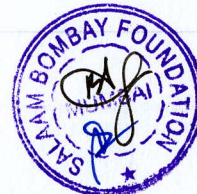
- **Partnerships with Training Institutes**

To achieve the training numbers for this year as well as to be able to deliver quality training, we partnered with 5 professional institutes including Kohinoor Technical Institute, Beyond Fringes, Indian Institute of Jewellery (IJJ), Masoom and Rudra. The training institutes conducted 19 batches across courses including Mobile Repair, Home Appliance Repair and Beauty.

For around 238 students who were being trained by individual trainers within the school premises, an additional 8-10 hours of practical training was conducted through a network of 9 training partners including YMCA, Shardashram, Industrial Training Institute, Mobile Technology Institute, Awesome Mobile Technology Institute, Turtle Spa & Salon, Yuva Parivartan, Versatile Mobile Technology institute, Prism Institute of Mobile Technology. Through these professional institutes we have been able to expose students to the relevant practical training needed to ensure their transition into becoming a professional.

- **Breaking Stereotypes**

The skills team has been actively working towards breaking gender barriers. Most often it has been noticed that students pick courses with a gender bias. For example, you will observe more number of girls in the beautician course and more number of boys in the technical courses. However through our orientation programs where we introduce students to the courses on offer, the field team urges students to choose the desired course based on their interest and aptitude and not on the gender that they belong to. For the first time 13 boys enrolled themselves in the Beautician course while 52 girls enrolled in the Computer Hardware course. This has become a benchmark for other students and allowed them to view career options without a gender lens.



- **Students Trained in Relevant Skills**

The skills@school team piloted batches of important skills including Financial Literacy, Entrepreneurship and Conversational English, with the goal to ensure that the children are able to apply these concepts in their own lives and plan for a better future.

The **Financial Literacy Programme** was conducted for children of class 9 across 7 BMC schools in Mumbai. The aim of the program was to provide children with a basic understanding of financial concepts like 'Assets and Liabilities', 'Budgeting' and 'Investments'. The pilot was delivered to 247 students in Hindi and Marathi. The students scored an average of 65% in the pretests conducted prior to the start of the program. Post the 4 sessions, the students were found to score an average of 85% in the post test conducted.

With the help from 5 students from NMIMS interning at Salaam Bombay Foundation, an **Entrepreneurship** module was planned and developed. The module included themes like 'Identifying Opportunity', 'Budgeting', 'Resource Mobilization', 'Marketing' and 'Scalability' of a business. The module was deployed across 4 schools for 178 students.

The '**Conversational English Program**' at SBF (Deployment Partner) is a three way partnership with Tata Trent (Funding Partner) and King's Learning (Content & Training Partner). The program was deployed in three schools across 4 batches reaching out to a total of 162 students. In all, a total of 102 students successfully completed the program and received the certificate. Through the program each child was taken through 60 hours (3 – 4 months) of rigorous training receiving communication skills in four main areas including Reading, Writing, Speaking and Listening. The training is currently delivered thrice a week, two hours per class. Each child has received a King's Learning course pack (Curriculum). The training is mostly activity based with trainers using Audio-Visual techniques as a tool to train the students

- **Vision 2020**

The current year has seen a good growth for the vertical. With a Vision 2020 to consecutively double the numbers henceforth and cumulatively reach out to 15000+ students, the program required model level changes. This year was a testing ground for bringing about operational changes to ensure that the scale up over the next years is smooth. With the lesson learnt from these pilots, the team is completely geared and excited for many more challenges to come and for the achievement of Vision 2020.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial statements relate and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Particulars of Loans given and Investments made by the company under section 186 of the Companies Act, 2013 have been disclosed in Note No. 12 & 14 of the Notes forming part of the Financial Statements of the Company.

The Company has not given any Guarantees during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There are no materially significant related party transactions/ contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 during the year under review hence the disclosure showing particulars in Form No. AOC -2 is not required and does not form part to this report.



SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company and hence no further disclosure is required in this regard.

CHANGE IN THE NATURE OF OPERATIONS:

There has been no change in the Nature of Business during the year under review.

DEPOSITS:

Your Company has neither accepted / renewed any deposits during the year nor has any outstanding Deposits in terms of Section 73 to 76 of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of operations of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL AND CHANGES AMONGST THEM:

The constitution of the Board has remained unaffected during the year under review.

Since the status of the Company is "Private Limited" and in terms of the provisions of the "Article No. 6.6" of the Articles of Association of the Company, none of the Directors of the Company are liable to retire by rotation.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year under review, the Company had 4 (Four) Board Meetings on 3rd June 2016, 16th September 2016, 12th December 2016 and 14th February 2017. The details of attendance of each Director at the Board Meetings are as follows:

Name of Director	No. of Meeting Attended
Mr. Aditya Vikram Somani	4
Mrs. Padmini Somani	4
Mrs. Ritu Nanda	4
Dr. Sultan Pradhan	1
Mr. Suhail Nathani	2
Mr. Balkumar Agarwal	4
Ms. Anjali Chhabaria	1

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the surplus of the company for that period;



(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors have prepared the annual accounts on a going concern basis; and

(e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE IN TERMS OF VARIOUS PROVISIONS OF COMPANIES ACT, 2013:

The provisions related to:

- A. Appointment of Independent Director (Section 149),
- B. Formation of Audit Committee (Sec. 177),
- C. Formation of Nomination and Remuneration Committee (Section 178),
- D. Undertaking formal Annual Evaluation of the Board and that of its committees and the Individual Director,
- E. Undertaking Secretarial Audit (Section 204),
- F. Vigil Mechanism (Section 177),
- G. Corporate Social Responsibility (Section 135)

are not applicable to the Company and hence no comment is invited in this regard.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has in place a mechanism to identify, assess, evaluate, monitor and mitigate various risks to key operations objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

STATUTORY AUDITORS:

M/s. S R B C & Co. LLP, Chartered Accountants, (FRN- 324982E) were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 29th September, 2014. Their continuance of appointment and payment of remuneration needs to be confirmed, ratified and approved in the ensuing Annual General Meeting. Your Directors recommend the ratification of appointment of Auditor at the ensuing Annual General Meeting.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

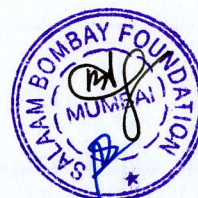
There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The comments by the auditors in their report read along with information and explanation given in notes to accounts are self explanatory and do not call for further explanation.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORY AUTHORITIES OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There were no material orders passed by the judicial or quasi Judicial Authority which affects the Going Concern Status of the Company during the year under review.

ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure I and is attached to this Report.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The Company is taking every possible step to conserve energy wherever possible and also organize regular training of employees to achieve the same. Several environment friendly measures were adopted by the Company to conserve energy. The Company increases usage of technology to provide better service to the stake holders. The Company strives to improve, optimize and manage costs through usage of technology as per its needs.

(B) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: Rs. 18,85,951/- (represents receipts in foreign exchange)

Foreign Exchange Outgo: Rs. 2,96,341/-/- (represents payments in foreign exchange)

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

There were no instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors deeply appreciate the committed efforts put in by employees at all levels, whose continued commitment and dedication contributed greatly to achieving the goals set by your Company. Your Directors also acknowledge gratefully all the members for their support and confidence reposed in your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

SALAAM BOMBAY FOUNDATION



**DIRECTOR
PADMINI SOMANI
DIN: 00046486**



**DIRECTOR
BALKUMAR AGARWAL
DIN: 00001085**



DATE: 19 SEP 2017

PLACE: MUMBAI

Annexure I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS	Annexure – A
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
All Business activities of the Company contributing 10% or more of the total Turnover of the Company.	Annexure – B
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	Not Applicable
IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	
i) Category wise Share Holding	Not Applicable
ii) Share Holding of Promoters	Not Applicable
iii) Change in Promoters Shareholding	Not Applicable
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Not Applicable
v) Shareholding of Directors and Key Managerial Personnel	Not Applicable
V. INDEBTEDNESS	Not Applicable
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	
i) Remuneration to Managing Director, Whole-time Directors, Executive Director and/or Manager	Not Applicable
ii) Remuneration to other directors	Not Applicable
iii) Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD	Not Applicable
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES	Not Applicable



Annexure – A**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U85300MH2002NPL136390
ii)	Registration Date	02.07.2002
iii)	Name of the Company	SALAAM BOMBAY FOUNDATION
iv)	Category / Sub-Category of the Company	Private Limited Company Registered under Section 8
v)	Address of the Registered office and contact details	1 st floor, Nirmal Building, Nariman Point, Mumbai - 400 021 Phone: 022 6149 1900 Email ID: padmini@salaambombay.org
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

Annexure – B**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

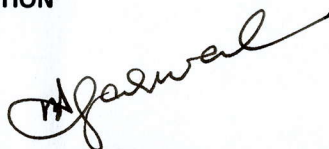
Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Philanthropic and Charitable activities for the welfare of the Society	91990	100%

III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	Not Applicable
IV	SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)	Not Applicable
V	INDEBTEDNESS	Not Applicable
VI	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL	Not Applicable
VII	PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES	Not Applicable

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
SALAAM BOMBAY FOUNDATION**


DIRECTOR

PADMINI SOMANI
DIN: 00046286


DIRECTOR

BALKUMAR AGARWAL
DIN: 00001085



DATE: 19 SEP 2017
PLACE: MUMBAI

SALAAM BOMBAY FOUNDATION
BALANCE SHEET AS AT 31 MARCH 2017

	Notes	As at 31 March 2017 Rupees	As at 31 March 2016 Rupees
CORPUS FUND AND LIABILITIES			
Corpus Fund	3	304,823,554	304,582,805
Reserves and Surplus	4	78,053,504	77,178,166
		382,877,058	381,760,971
Non-current liabilities			
Long-term provisions	5	2,912,763	2,582,648
		2,912,763	2,582,648
Current liabilities			
Trade payables	6		
- Total outstanding dues of Micro enterprises and small enterprises		105,000	-
-Total outstanding dues of Creditors other than Micro enterprises and small enterprises		3,945,766	3,426,917
Other current liabilities	7	38,684,990	5,144,137
Short-term provisions	8	3,463,072	3,000,228
		46,198,828	11,571,282
TOTAL		431,988,649	395,914,901
ASSETS			
Non-current assets			
Fixed Assets	9		
Property, Plant & Equipment		30,496,956	32,528,719
Intangible assets		94,640	96,543
		30,591,596	32,625,262
Loans and advances	10	3,090,666	1,252,156
Other Non-Current Assets	11	5,225,000	304,600,000
		8,315,666	305,852,156
		38,907,262	338,477,418
Current assets			
Current investments	12	49,500,000	18,697,840
Cash and bank balances	13	339,959,262	35,346,293
Loans and advances	14	1,156,512	1,285,423
Other current assets	15	2,465,613	2,107,927
		393,081,387	57,437,483
TOTAL		431,988,649	395,914,901

Summary of Significant Accounting Policies 1 & 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per Vinayak Pujare
Partner
Membership No. 101143
Place : Mumbai
Date :

19 SEP 2017



For and on behalf of the Board of Directors
of Salaam Bombay Foundation

for
Padmini Somani
Director

Agarwal
Balkumar Agarwal
Director

Place : Mumbai
Date :

19 SEP 2017



SALAAM BOMBAY FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2017

	Notes	For the year ended 31 March 2017 Rupees	For the year ended 31 March 2016 Rupees
Revenue			
Revenue from operations	16	28,768,014	13,547,050
Other income	17	34,437,110	30,206,383
Total Revenue		63,205,124	43,753,433
Expenses			
Employee benefits expense	18	30,907,789	25,007,467
Depreciation and Amortization expense	9	2,543,276	2,711,803
Other expenses	19	28,878,721	18,697,185
Total Expenses		62,329,786	46,416,455
Surplus / (Deficit) for the year		875,338	(2,663,022)

Summary of Significant Accounting Policies 1 & 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

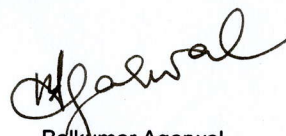
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per 
Partner
Membership No. 101143
Place : Mumbai
Date : 19 SEP 2017

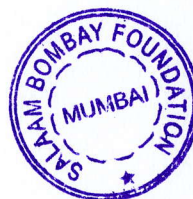


For and on behalf of the Board of Directors
of Salaam Bombay Foundation


Padmini Somani
Director


Balkumar Agarwal
Director

Place : Mumbai
Date : 19 SEP 2017



SALAAM BOMBAY FOUNDATION
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2017

	For the year ended 31 March 2017 Rupees	For the year ended 31 March 2016 Rupees
Cash flows from operating activities		
Surplus /(Deficit)	875,338	(2,663,022)
Adjustments to reconcile Surplus /(Deficit) before tax due to Net cash flows		
Non Cash Items		
Depreciation & Amortization	2,543,276	2,711,803
Interest Income	(29,537,088)	(29,835,605)
Profit on sale of property, plant and equipment	2,992	5,790
Net gain on sale of current investments	(4,802,270)	(69,275)
Operating profit before working capital changes	(30,917,753)	(29,850,309)
Movements in Working Capital		
Increase / (Decrease) in Trade Payables	623,849	364,181
Increase / (Decrease) in Provisions	792,959	63,302
Increase / (Decrease) in Non current liability	-	(1,935,191)
Increase / (Decrease) in Other current liability	33,540,853	648,730
Decrease / (Increase) in Short term loans & advances	128,911	(511,701)
Decrease / (Increase) in Long term loans & advances	(1,838,510)	(131,519)
Decrease / (Increase) in Other current assets	(418,449)	3,973,524
Net cash flow from/ (used in) operating activities (A)	1,911,860	(27,378,983)
Cash flows from investing activities		
Interest Received	29,611,385	29,837,173
Proceeds from sale of current investment	23,500,110	1,000,001
Purchase of current investment	(49,500,000)	-
Purchase of fixed asset	(536,452)	(279,950)
Investments in bank deposits (having original maturity of more than three months)	(22,525,000)	(21,225,000)
Redemption/ maturity of bank deposits (having original maturity of more than three months)	28,225,000	26,025,000
Proceeds from sale of fixed asset	23,849	4,500
Net cash flow from investing activities (B)	8,798,892	35,361,725
Cash flows from financing activities		
Corpus Donation Received	240,749	5,750
Net cash flow from financing activities (C)	240,749	5,750
Net increase in cash and cash equivalents (A) + (B) + (C)	10,951,501	7,988,492
Cash and cash equivalents at the beginning of the year	14,023,029	6,034,537
Cash and cash equivalents at the end of the year	24,974,530	14,023,029
Components of Cash and Cash Equivalents at the end of the year		
Cash on hand	80,181	34,119
On savings accounts	19,026,830	10,028,886
On current accounts	3,754,917	1,922,758
Deposits with original maturity of less than three months	2,112,602	2,037,266
Total	24,974,530	14,023,029

Summary of Significant Accounting Policies - Refer Note 1 & 2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per Vinayak Pujare
Partner
Membership No. 101143
Place : Mumbai
Date : 19 SEP 2017



For and on behalf of the Board of Directors
of Salaam Bombay Foundation

[Signature]
Padmini Somani
Director

[Signature]
Balkumar Agarwal
Director

Place : Mumbai
Date : 19 SEP 2017



SALAAM BOMBAY FOUNDATION

Notes to financial statement for the year ended 31 March 2017

1.1 CORPORATE INFORMATION

Salaam Bombay Foundation works with underprivileged children, aged 12 to 17, growing up in Mumbai's slums. Salaam Bombay Foundation supports these 'at risk' children in programs that engage them through in-school Leadership and after-school Sports and Arts programs. These programs also train children in 21st century employment relevant vocational and trade skills and include tobacco control and awareness about the ill effects of tobacco, amongst others. These programs help build their confidence and self-esteem and prepare them for sustainable careers in the future while staying in school.

Salaam Bombay Foundation is incorporated under section 25 of the Companies Act, 1956 on July 2, 2002 as a company limited by guarantee and not having a share capital. The Company is registered under section 12A of the Income Tax Act, 1961 vide registration no. TR/36855 dt. 28/11/2002.

1.2 BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards Notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendments Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.2 PROPERTY, PLANT & EQUIPMENT

Property, plant & equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.



SALAAM BOMBAY FOUNDATION

Notes to financial statement for the year ended 31 March 2017

2.3 DEPRECIATION ON PROPERTY, PLANT & EQUIPMENT

Depreciation is calculated on a straight-line basis on Buildings. Depreciation on other Property, Plant & Equipment is calculated on Written Down Value method using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its property, plant and equipment.

Assets	Useful lives estimated by the management (years)
Buildings	20
Computers and Servers	3 – 6
Furniture and fixtures	10
Electrical Installation	10
Office equipment	5
Vehicles	8

The management has estimated, supported by independent assessment by professionals, the useful lives of the above classes of assets.

- Building is depreciated over the estimated useful lives of 20 years, which is lower than that indicated in schedule II.

The residual values, useful lives and methods of depreciation of property, plant & equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

2.4 INTANGIBLE ASSETS

Computer Software acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over the estimated useful economic life which is estimated as 5 years. by the Management.

2.5 RECOGNITION OF INCOME

- a. Donations / grants, Delegate Registration Fees and Sponsorship Fees are recognized on accrual basis upon compliance with the significant conditions, if any, and where it is reasonable to expect ultimate collection. Conditional project specific grant received is recognized as income to the extent of expenditure incurred in that financial year, while unspent balances are carried forward as liability for future utilization and disclosed as "Unspent Funds for Assisted Projects" under Other Liabilities in the Balance Sheet.

Amounts received with a specific direction from donors that those amounts shall form part of the Corpus of the Foundation, are credited to the Corpus Fund.

- b. Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.



SALAAM BOMBAY FOUNDATION

Notes to financial statement for the year ended 31 March 2017

c. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of income and expenditure.

2.6 GOVERNMENT GRANTS & SUBSIDIES

Grants and subsidies from the Government are recognized when there is reasonable assurance that the grant /subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to a revenue item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which they are intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

2.7 INVESTMENTS

Investments which are readily realizable and intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost; however, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of income and expenditure.

2.8 FOREIGN CURRENCY TRANSLATION

a. Initial Recognition-

Foreign currency transactions are recorded in Rupees, by applying to the foreign currency amount, the exchange rate between the Indian Rupee and the foreign currency at the date of transaction.

b. Conversion-

Foreign currency monetary items are reported using closing foreign exchange rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

c. Exchange Differences-

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

2.9 RETIREMENT & OTHER EMPLOYEE BENEFITS

a. Defined Contribution plan

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Income and Expenditure for the year when the contributions in the respective funds are due. The Company recognizes contribution payable to provident fund scheme as expenditure when an employee renders service. There are no other obligations other than the contribution payable by the Foundation.



SALAAM BOMBAY FOUNDATION

Notes to financial statement for the year ended 31 March 2017

b. Defined Benefit Plan

- i. Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation based on projected unit credit method made at the end of each financial year.
- ii. Short -term accumulated leave balances are provided for based on actuarial valuation. The actuarial valuation is as of the balance sheet date and based on the projected unit credit method
- iii. Actuarial gains/losses are immediately taken to the Statement of Income and Expenditure and are not deferred.

2.10 PROVISIONS

A provision is recognised when the Company has a present obligation as a result of past event and; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.11 INCOME TAXES

Provisions for taxation has not been made in the books of accounts in view of the exemption of income of the Foundation u/s 11 read with section 2(15) of the Income Tax Act, 1961.

2.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



SALAAM BOMBAY FOUNDATION

Notes to financial statements for the year ended 31 March 2017

	As at 31 March 2017 Rupees	As at 31 March 2016 Rupees
3. Corpus fund		
Balance as per last financial statements	304,582,805	304,577,055
Add: Received during the year	240,749	5,750
TOTAL	304,823,554	304,582,805
4. Reserves and surplus		
Excess of expenditure over income		
Balance as per last financial statements	77,178,166	79,841,188
Add /(Less): Surplus / (Deficit) for the year	875,338	(2,663,022)
TOTAL	78,053,504	77,178,166
5. Long-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 23)	2,912,763	2,582,648
TOTAL	2,912,763	2,582,648
6. Trade payables		
Total outstanding dues of Micro enterprises and small enterprises	105,000	-
Total outstanding dues of Creditors other than Micro enterprises and small enterprises	3,945,766	3,426,917
TOTAL	4,050,766	3,426,917
7. Other current liabilities		
Statutory Dues payable	849,152	477,008
Unspent funds for assisted projects	37,835,838	4,667,129
TOTAL	38,684,990	5,144,137
8. Short-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 23)	907,196	745,357
Provision for leave encashment	2,555,876	2,254,871
TOTAL	3,463,072	3,000,228



SALAAM BOMBAY FOUNDATION
Notes to financial statements for the year ended 31 March 2017

9. Property, Plant and Equipment

Particulars	Building *	Computers & Servers	Furniture & Fixtures	Electrical Installation	Office Equipments	Vehicles	Property, Plant & Equipment (Total A)	Intangible Assets - Computer Software (B)	Grand Total (A+B)
Gross block									
At 1 April 2015	32,385,258	1,930,860	1,801,976	868,072	1,843,275	250,000	39,079,441	709,455	39,788,896
Additions	-	241,850	-	-	38,100	-	279,950	-	279,950
Deductions	-	296,499	-	-	-	-	296,499	-	296,499
At 31 March 2016	32,385,258	1,876,211	1,801,976	868,072	1,881,375	250,000	39,062,892	709,455	39,772,347
Additions	-	329,589	39,486	-	114,385	-	483,460	52,992	536,452
Deductions	-	-	102,908	-	217,877	-	320,785	-	320,785
At 31 March 2017	32,385,258	2,205,800	1,738,554	868,072	1,777,883	250,000	39,225,567	762,447	39,988,014

Depreciation/Amortization

At 1 April 2015	990,639	1,734,756	181,079	33,866	1,041,712	190,888	4,172,940	548,551	4,721,491
Charge for the year	1,488,999	132,671	421,828	216,283	350,747	36,914	2,647,442	64,361	2,711,803
Deductions	-	286,209	-	-	-	-	286,209	-	286,209
At 31 March 2016	2,479,638	1,581,218	602,907	250,149	1,392,459	227,802	6,534,173	612,912	7,147,085
Charge for the year	1,488,599	267,579	323,661	160,250	238,594	9,698	2,488,381	54,895	2,543,276
Deductions	-	-	99,062	-	194,881	-	293,943	-	293,943
At 31 March 2017	3,968,237	1,848,797	827,506	410,399	1,436,172	237,500	8,728,611	667,807	9,396,418
Net block									
At 31 March 2016	29,905,620	294,993	1,199,069	617,923	488,916	22,198	32,528,719	96,543	32,625,262
At 31 March 2017	28,417,021	357,003	911,048	457,673	341,711	12,500	30,496,956	94,640	30,591,596

* Note: Building includes cost of shares in Shree Nirmal Commercial Ltd. Rs. 10,500/- (previous year Rs. 10,500/-)



SALAAM BOMBAY FOUNDATION
Notes to financial statements for the year ended 31 March 2017

	As at 31 March 2017 Rupees	As at 31 March 2016 Rupees
10. Loans and advances (Unsecured, considered good)		
Security Deposits	707,150	707,150
Income Tax Refund receivable	77,133	204,434
Tax deducted at source	2,306,383	340,572
TOTAL	3,090,666	1,252,156
11. Other Non-current assets		
Deposits with original maturity for more than 12 months (Refer Note 13)	5,225,000	304,600,000
TOTAL	5,225,000	304,600,000
12. Current investments		
Unquoted, Fully Paid up Investment in Mutual Fund		
ICICI Prudential Flexible Income Regular Plan-Growth (NIL units; Previous year: 75,777 units)	-	18,697,840
ICICI Prudential Regular Saving Fund (10,98,983.729 units; Previous year: NIL units)	19,000,000	-
ICICI Prudential Ultra Short Term Plan (18,37,714.726 units; Previous year: NIL units)	30,500,000	-
TOTAL	49,500,000	18,697,840

Aggregate amount of unquoted investments	As at 31 March 2017	As at 31 March 2016
ICICI Prudential Flexible Income Regular Plan-Growth		
At Cost	-	18,697,840
Net Asset Value	-	21,688,959
ICICI Prudential Regular Saving Fund		
At Cost	19,000,000	-
Net Asset Value	19,088,798	-
ICICI Prudential Ultra Short Term Plan		
At Cost	30,500,000	-
Net Asset Value	30,731,552	-

	Non-current		Current	
	31 March 2017 Rupees	31 March 2016 Rupees	31 March 2017 Rupees	31 March 2016 Rupees
13. Cash and bank balances				
Cash and cash equivalents				
Balances with banks:				
- On savings accounts	-	-	19,026,830	10,028,886
- On current accounts	-	-	3,754,917	1,922,758
- Deposits with original maturity of less than three months	-	-	2,112,602	2,037,266
Cash on hand	-	-	80,181	34,119
	-	-	24,974,530	14,023,029
Other bank balances				
- Deposits with original maturity for more than 12 months	5,225,000	304,600,000	314,984,732	21,323,264
- Deposits with original maturity for more than 3 months but less than 12 months*	-	-	-	-
	5,225,000	304,600,000	314,984,732	21,323,264
Amount disclosed under non-current assets (Refer note 11)	(5,225,000)	(304,600,000)	-	-
TOTAL	-	-	339,959,262	35,346,293

* Rs. 300,000 (Previous Year - Rs.300,000) under lien in respect of corporate credit card

14. Loans and advances (Unsecured, considered good)		
Prepaid expenses	158,992	330,969
Security deposits	9,905	13,405
Staff advances	183,951	156,498
Other advances	803,664	784,551
TOTAL	1,156,512	1,285,423
15. Other current assets		
Interest accrued on fixed deposits with banks	2,046,364	2,107,127
Donations / Grants receivable	419,249	800
TOTAL	2,465,613	2,107,927



SALAAM BOMBAY FOUNDATION
Notes to financial statements for the year ended 31 March 2017

	For the year ended 31 March 2017	For the year ended 31 March 2016
16. Revenue from operations		
Donation and Grants	27,093,904	13,510,646
Registration and Sponsorship Fees	1,673,150	35,444
Subscription Fees received	960	960
TOTAL	28,768,014	13,547,050
17. Other income		
Net gain on sale of current investments	4,802,270	69,275
Interest income on Fixed Deposits	29,512,312	29,810,671
Interest on IT refund	24,776	24,934
Profit on sale of Fixed asset	2,344	-
Other non-operating income	95,408	301,503
TOTAL	34,437,110	30,206,383
18. Employee benefit expenses		
Salaries & allowances	26,939,337	22,238,063
Contribution to provident & other funds	1,668,976	1,454,565
Staff welfare expenses	867,805	426,168
Gratuity and leave encashment (Refer Note 23)	1,431,671	888,671
TOTAL	30,907,789	25,007,467
19. Other expenses		
Expenses For Projects And Activities		
Advertising & Promotion	122,859	-
Delegate travel, accommodation and other charges	1,413,081	-
Catering and food expenses	1,065,802	611,257
Rent	509,815	583,489
Professional fees	14,217,732	8,447,082
Equipment/ Other hiring charges	2,781,575	393,457
Material for projects	1,866,411	1,658,238
Travel and conveyance expenses	1,486,122	1,064,215
Communication expenses	529,848	508,572
Repairs and maintenance	130,033	144,298
Electricity Charges	639,720	827,298
Registration Fees	212,149	327,500
Website Expenses	557,370	857,080
Other expenses	766,338	636,525
	26,298,855	16,059,011
Administration And Other Expenses		
Travel and conveyance expenses	68,201	23,848
Communication expenses	88,484	67,542
Printing and stationary expenses	161,538	179,872
Legal and professional charges	971,456	1,001,779
Rent	11,500	-
Sponsorship Expenses	15,000	15,000
Auditor's Remuneration		
Audit fees	409,750	171,750
Certification	115,000	229,501
Out of pocket expenses	55,144	23,285
Bank charges	1,476	406
Repairs and maintenance		
Others	593,636	669,279
Insurance	11,704	11,605
Vehicle Expenses	800	12,960
Fixed asset written off	5,336	5,790
Miscellaneous expenses	70,841	225,557
	2,579,866	2,638,174
TOTAL	28,878,721	18,697,185
20. Expenditure in Foreign Currency:		
Travelling expenses for conference & exhibition	296,341	25,609
TOTAL	296,341	25,609
21. Earnings in Foreign Currency:		
Grants received	1,885,951	4,285,459
TOTAL	1,885,951	4,285,459
22. There are no segments in the company and hence segment disclosure is not applicable.		



SALAAM BOMBAY FOUNDATION

Notes to financial statements for the year ended 31 March 2017

23 Disclosure in accordance with Accounting Standard (AS 15) on Employee Benefits :

(A) Defined Benefit Plan

The Company has a defined benefit gratuity scheme. Every employee who has completed five years or more of service is entitled to a gratuity on departure of amount equivalent to 15 days basic salary (last drawn basic salary) for each completed year of service or part thereof in excess of 6 months. The scheme is unfunded.

	31 March 2017	31 March 2016
a) Changes in present value of obligations		
PVO at beginning of period	3,328,005	3,199,606
Interest cost	262,538	244,422
Current Service Cost	605,413	584,875
Benefits Paid	(92,550)	(171,890)
Actuarial (gain) on obligation	(283,447)	(529,008)
PVO at end of period	3,819,959	3,328,005
b) Amounts to be recognized in the Balance Sheet		
PVO at end of period	3,819,959	3,328,005
Fair Value of Plan Assets at end of period	-	-
Funded Status	(3,819,959)	(3,328,005)
Unrecognised Actuarial Gain/(Loss)	-	-
Net Asset/(Liability) recognized in the balance sheet	(3,819,959)	(3,328,005)
c) Net employee benefit expense recognised in the employee cost		
Current Service Cost	605,413	584,875
Interest cost on benefit obligation	262,538	244,422
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) recognized in the year	(283,447)	(529,008)
Expense recognized in the statement of Income and Expenditure	584,504	300,289
d) Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	3,328,005	3,199,606
Expenses as above	584,504	300,289
Contribution paid	(92,550)	(171,890)
Closing Net Liability	3,819,959	3,328,005
e) Actuarial Assumptions		
Mortality	Indian Assured Life Mortality (2006-08) Ultimate	Indian Assured Life Mortality (2006-08) Ultimate
Discount Rate	6.69%	8.00%
Salary Escalation	12%	12%
Attrition Rate	25%	25%
Retirement age	58 years	58 years
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		

(B) Amount for the current and previous years are as follows:

Gratuity Non- funded	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
PVO at the end of the year	3,819,959	3,328,005	3,199,606	2,646,600
Surplus/ (deficit)	(3,819,959)	(3,328,005)	(3,199,606)	(2,646,600)
Experience adjustments on plan liabilities	(283,447)	(529,008)	(97,086)	18,375

(C) Defined contribution plan

Amount recognized as an expense and included in the Note 18- "Contribution to Provident fund" of Statement of Income and Expenditure Rs. 16,68,976/- (Previous Year - Rs.14,54,565/-)



SALAAM BOMBAY FOUNDATION**Notes to financial statements for the year ended 31 March 2017**

24 The fair value of the non-monetary donation received in the current year is Rs. 1,44,076/- (Previous Year Rs. NIL/-)

25 Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017, on the details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Amount in (Rs.)

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	173,500	830	174,330
(+) Permitted receipts	-	262,818	262,818
(-) Permitted payments	-	246,392	246,392
(-) Amount deposited in Banks	173,500	-	173,500
Closing cash in hand as on 30.12.2016	-	17,256	17,256

26 Previous year's figures have been regrouped where necessary to confirm to this year's classification.

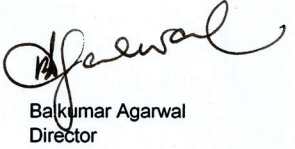
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/ E300003

per Vinayak Pujare
Partner
Membership No. 101143
Place : Mumbai
Date : 19 SEP 2017

For and on behalf of the Board of Directors
of Salaam Bombay Foundation


Padmini Somani
Director


Balkumar Agarwal
Director

Place : Mumbai

Date : 19 SEP 2017

