

Walker ChandioK & Co LLP

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Independent Auditor's Report

To the Trustees of Pratham Mumbai Education Initiative

Report on the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Pratham Mumbai Education Initiative ('the Trust'), which comprise the Balance Sheet as at 31 March 2023, the Income and Expenditure Account, Statement of Income of the Public Trust liable to Contribution for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 Maharashtra Public Trust Act, 1950 ('Act') and Maharashtra Public Trusts Rules, 1951 ('rules') in the manner so required and comply, in all material respects, with the conditions laid down in the Act the rules made thereunder, to the extent relevant and applicable, and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable and accounting principles generally accepted in India of the state of affairs of the Trust as at 31 March 2023, its surplus and its income liable to contribution for the year ended on that date.

Basis of Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

4. The Management is responsible for preparation of these financial statements that give a true and fair view of the state of affairs and results of operations of the Trust in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, to the extent applicable. This responsibility includes maintenance of adequate accounting records for safeguarding the assets of the Trust and for preventing and detecting fraud and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal control, that were operating effectively for ensuring the accuracy and completeness of 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.
5. In preparing the financial statements, the management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.
6. Those Charged with Governance are also responsible for overseeing the Trust's financial reporting process.



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Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Trust has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with the those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

10. As required under sub section (2) of section 33 and 34 of the Act, read with rule 19 of the Rules made thereunder, we report as under for the year ended 31 March 2023:
 - a) The accounts of the Trust were maintained regularly and in accordance with the provisions of the Act and Rules made thereunder;
 - b) The receipts and disbursements were properly and correctly shown in accounts of the Trust;
 - c) The cash balance and vouchers in the custody of the Trustee in the date of audit have been found in agreement with the accounts of the Trust;
 - d) All books, deeds, accounts, vouchers or other documents or records required by us were produced before us;
 - e) Register of moveable or immovable properties have been properly maintained by the Trust and the changes therein have been communicated by the Trust but not within the stipulated time as mentioned under section 36B of the Act to the regional office as also mentioned in the note 3 of annexure G to the accompanying financial statements. There is a delay of 4 days in communicating the required changes. Further, there were no defects and inaccuracies mentioned in the previous audit report which are required to be complied with;



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- f) The persons required to appear before us did so and furnished the necessary information, as required by us;
- g) We have not come across any property or funds of the Trust having applied for any object or purpose other than the object or purpose of the trust;
- h) The amounts of the receivables outstanding for more than one year is ₹185,293 and the amounts written off is ₹100,347;
- i) On the basis of test checks carried out by us tenders were invited for repairs or construction involving expenditure exceeding ₹5,000, however no tenders invited for additional/ongoing construction work allotted to vendors post bidding process;
- j) We have not come across any event that causes us to believe that money of the public trust has been invested contrary to the provisions of section 35 of the Act;
- k) We have not come across any alienation of the immovable property contrary to the provisions of section 36 of the Act;
- l) We have not come across any special matter which we think is fit or necessary to bring to the notice of the Deputy or Assistant Charity Commissioner;
- m) We have not come across any cases of irregular, illegal or improper expenditure or failure or omission to recover moneys or other property belonging to the public trust or of loss, or waste of money or other property thereof, and whether such expenditure, failure, omission, loss or waste was caused in consequence of breach of trust or mis-application or any other misconduct on the part of the trustee or any other person while in the management of the trust;
- n) The Trust has filed the budget in the form provided by rule 16A for the financial year 2022-23;
- o) The maximum and minimum number of the trustees as prescribed by the Trust Deed is maintained by Trust during the year ended 31 March 2023;
- p) The Trust has held meetings regularly as provided in Trust Deed during the year ended 31 March 2023;
- q) The Trust has maintained minute books of the proceedings of meetings held by its Trustees during the year ended 31 March 2023;
- r) According to the representations received from the Trustees, none of the trustees has any interest in the investments of the Trust;
- s) None of the trustees is the debtor or creditor of the trust as at the year ended 31 March 2023; and
- t) There are no irregularities pointed out by the auditors in the accounts of the previous year which is to be complied by the trustees during the period of audit.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Jyoti

Jyoti Vaish
Partner
Membership No.: 096521



UDIN: - 23096521BGYVZS3996

Place: Mumbai
Date: 22 September 2023

SCHEDULE - IX C
(Vide Rule 32)

Statement of income of the public trust liable to contribution for the year ending 31 March 2023

Name and Registered No. of Public Trust:- Pratham Mumbai Education Initiative

Registered No. : E - 15454

Particulars	Amount
II. Items not chargeable to Contribution under Section 58 and Rules 32 -	
(i) Donations received from other Public Trusts and Dharmadas.	
(ii) Grants received from Government and Local authorities.	
(iii) Interest on Sinking or Depreciation Fund.	
(iv) Amount spent for the purpose of secular education.	
(v) Amount spent for the purpose of medical relief.	
(vi) Amount spent for the purpose of veterinary treatment of animals.	
(vii) Expenditure incurred from donations for relief of distress caused by scarcity, drought, flood, fire or other natural calamity.	
(viii) Deductions out of income from lands used for agricultural purpose	
(a) Land Revenue and Local Fund Cess	
(b) Rent payable to superior landlord	
(c) Cost of production if lands are cultivated by trust.	
(ix) Deductions out of income from lands used for non-agricultural purposes-	
(a) Assessment, cesses and other Government or Municipal taxes.	
(c) Insurance premia	
(d) Repairs at 10 percent of gross rent of buildings.	
(e) Cost of collection at 4 per cent of gross rent of buildings let out at one per cent of such income.	
and yielding no income, at 10 per cent of the estimated gross annual rent.	
Gross Annual Income chargeable to contribution Rs.	

a)The Trust is primarily towards achieving the goal of universalisation of formal education for all children upto the age of 14 years. Exempted from contribution under Rule 32(1) of Maharashtra Public Trusts Act ,1951.

Certified that while claiming deductions admissible under the above Schedule, the Trust has not claimed any amount twice, either wholly or partly, against any of the items mentioned in the Schedule which have the effect of double-deduction.

For Walker Chandiook & Co LLP
Chartered Accountants

Firm's Registration No.:001076N/N500013

Jyoti

Jyoti Vaish
Partner

Membership No.: 096521

Place: Mumbai

Date : 22 September 2023

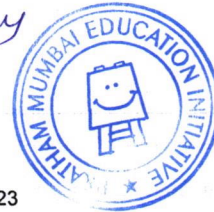


For and on behalf of Board of Trustees of
Pratham Mumbai Education Initiative
4th Floor, Y.B. Chavan Centre,
Gen. J. Bhosale Marg,
Nariman Point, Mumbai - 400 021

Mrs. Farids Lambay
Trustee
Executive Secretary

Place : Mumbai

Date : 22 September 2023



Mr. Hasit Joshipura

Chairman

Place : Mumbai

Date : 22 September 2023

THE BOMBAY PUBLIC TRUSTS ACT, 1950
SCHEDULE VIII [Vide Rule 17 (1)]

Name of the Public Trust: Pratham Mumbai Education Initiative
Balance Sheet as at 31 March 2023

(All amounts are in ₹, unless otherwise stated)

Funds & Liabilities	Registration No.E15454		Property and Assets	Registration No.E15454	
	As at 31 March 2023	As at 31 March 2022		As at 31 March 2023	As at 31 March 2022
Trust Funds or Corpus			Immovable Properties		
Balance as per last Balance Sheet	5,63,296	5,59,796	Balance as per last Balance Sheet	17,09,26,936	18,83,11,563
	5,63,296	5,63,296	Additions during the year	-	-
			Sales/Deletion during the year	-	-
			Depreciation for the year	(1,77,16,011)	(1,73,84,627)
				15,32,10,925	17,09,26,936
Liabilities :-			Furniture and Fixtures :		
For expenses	55,45,436	24,84,144	Balance as per last Balance Sheet	48,74,540	54,29,074
For sundry credit balances	1,75,27,413	1,59,04,283	Additions during the year	8,60,186	86,630
	2,30,72,849	1,83,88,407	Sales/Deletion during the year	(92,943)	(78,203)
			Depreciation for the year	(5,26,500)	(5,62,961)
				51,15,283	48,74,540
Income and Expenditure Account			Other Fixed Assets (Refer Annexure A)		
Balance as per last Balance Sheet	26,14,70,487	29,21,74,296	Balance as per last Balance Sheet	1,04,90,726	1,07,57,383
Surplus/(Deficit) as per Income & Expenditure acco	47,34,382	(3,07,03,809)	Additions during the year	26,21,059	24,96,384
Net balance	26,62,04,869	26,14,70,487	Sales/Deletion during the year	(7,404)	(2,04,928)
			Depreciation for the year	(28,65,593)	(25,58,113)
				1,02,38,788	1,04,90,726
			Advances :-		
			To Employees	12,42,640	8,41,451
			To Contractors	-	-
			To Others	3,88,17,014	3,56,65,082
			Tax deducted at source	8,67,140	7,11,388
				4,09,26,794	3,72,17,921
			Income Outstanding		
			Interest	3,36,112	7,09,812
				3,36,112	7,09,812
			Cash and Bank Balances (Refer Annexure B)		
			(a) In Saving account with banks	67,81,294	95,56,050
			(b) In Fixed deposit account with banks	7,32,31,818	4,66,46,205
				8,00,13,112	5,62,02,255
Total (₹)	28,98,41,014	28,04,22,190	Total (₹)	28,98,41,014	28,04,22,190

Significant Accounting Policies
Notes to the accounts

Annexure F
Annexure G

This is the Balance Sheet referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Jyoti Vaish
Partner
Membership No.: 096521

Place: Mumbai
Date: 22 September 2023



For and on behalf of Board of Trustees of
Pratham Mumbai Education Initiative

Mrs. Farida Lambay
Trustee
Executive Secretary

Place: Mumbai
Date: 22 September 2023

Mr. Hasit Jbshipura
Chairman

Place: Mumbai
Date: 22 September 2023

THE BOMBAY PUBLIC TRUSTS ACT, 1950
SCHEDULE IX [Vide Rule 17 (1)]

Name of the Public Trust: Pratham Mumbai Education Initiative
Income and Expenditure Account for the year ending 31 March 2023

(All amounts are in ₹, unless otherwise stated)

Expenditure	Registration No.E15454		Income	Registration No.E15454	
	For the year ended 31 March 2023	For the year ended 31 March 2022		For the year ended 31 March 2023	For the year ended 31 March 2022
To Expenditure in respect of properties :-			By Interest		
Rates, taxes, cesses	4,64,730	5,44,491	On Bank Accounts		
Repairs and maintenance	11,86,902	32,17,322	Fixed deposit with banks	14,82,049	20,69,057
Depreciation (by way of provision or adjustment)	1,77,16,011	1,73,84,627	Bank accounts	5,52,240	8,30,442
Other expenses	1,24,492	-	On Security Deposit	11,580	11,589
	1,94,92,135	2,11,46,440		20,45,869	29,11,088
To Establishment expenses (Refer Annexure C)	1,21,65,582	90,44,814	By Donation in cash or kind	18,84,29,553	14,47,26,336
To Legal and Professional expenses	8,41,700	18,33,109	By Income from other sources		
To Amount written off	1,00,347	2,83,131	Sundry receipts	40,450	30,000
To Audit fees (including goods and services tax)	13,45,200	10,62,000	Liabilities / provisions no longer required written back	-	2,30,219
To Depreciation	33,92,093	31,21,074		40,450	2,60,219
To Expenditure on objects of the trust Educational (Refer Annexure D)	14,84,44,433	14,21,10,884	By (Surplus)/Deficit carried over to Balance Sheet	(47,34,382)	3,07,03,809
Total (₹)	18,57,81,490	17,86,01,452	Total (₹)	18,57,81,490	17,86,01,452

Significant Accounting Policies
Notes to the accounts

Annexure F
Annexure G

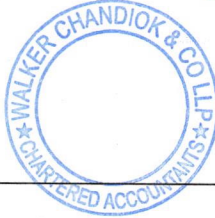
This is the Income and Expenditure referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Jyoti

Jyoti Vaish
Partner
Membership No.: 096521

Place: Mumbai
Date: 22 September 2023



For and on behalf of Board of Trustees of
Pratham Mumbai Education Initiative

plambay

Mrs. Farida Lambay
Trustee
Executive Secretary

Place: Mumbai
Date: 22 September 2023

Mr. Hasit Joshi

Mr. Hasit Joshi
Chairman

Place: Mumbai
Date: 22 September 2023

Pratham Mumbai Education Initiative

Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2023

(All amounts are in ₹, unless otherwise stated)

Annexure A - Other Fixed Assets

Particulars	Rate of Depreciation	Opening WDV as on 1 April 2022	Sales/Deletion during the year	Additions during the year	Total	Depreciation for the year	Closing WDV as on 31 March 2023
Computers	40%	24,98,258	1,606	15,12,781	40,09,433	15,38,736	24,70,697
Office equipment	15%	71,77,163	5,798	11,08,278	82,79,643	12,04,561	70,75,082
Vehicle	15%	8,15,305	-	-	8,15,305	1,22,296	6,93,009
Grand Total		1,04,90,726	7,404	26,21,059	1,31,04,381	28,65,593	1,02,38,788

Particulars	Rate of Depreciation	Opening WDV as on 1 April 2021	Sales/Deletion during the year	Additions during the year	Total	Depreciation for the year	Closing WDV as on 31 March 2022
Computers	40%	15,28,838	6,818	21,40,048	36,62,068	11,63,810	24,98,258
Office equipment	15%	82,64,805	1,93,553	3,56,336	84,27,588	12,50,425	71,77,163
Vehicle	15%	9,63,740	4,557	-	9,59,183	1,43,878	8,15,305
Grand Total		1,07,57,383	2,04,928	24,96,384	1,30,48,839	25,58,113	1,04,90,726



Pratham Mumbai Education Initiative

Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2023

(All amounts are in ₹, unless otherwise stated)

Annexure B - Cash and bank balances

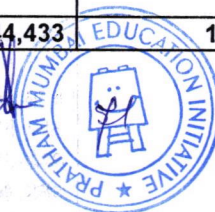
Particulars	As at 31 March 2023	As at 31 March 2022
A. In Saving account with banks		
Savings account balances with ICICI	60,01,141	63,55,334
Savings account balances with SBI	7,80,153	32,00,716
Savings account balances with PNB	-	
Sub-Total (Savings Accounts)	67,81,294	95,56,050
B. In Fixed deposits with banks		
Fixed deposit with ICICI	2,50,49,265	84,27,034
Fixed deposit with SBI	4,81,82,553	3,82,19,171
Sub-Total (Fixed deposits)	7,32,31,818	4,66,46,205
Total (₹) (A+B)	8,00,13,112	5,62,02,255

Annexure C - Establishment expenses (administration expenses)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	49,88,864	38,97,635
Insurance expense	4,84,610	2,55,251
Communication expense	1,69,411	12,446
Training expense	57,676	-
Travel and conveyance expense	85,879	51,686
Printing and stationery expense	34,215	19,585
Software and computer consumables	9,267	11,325
Repair and maintenance	45,75,266	39,15,166
Office expenses	17,60,394	8,81,720
Total (₹)	1,21,65,582	90,44,814

Annexure D - Expenditure on the objects of the Trust (Educational)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Donations given	-	1,40,00,000
Salary and wages (including gratuity) (Refer Note 1 of Annexure G)	7,66,38,502	6,90,12,918
Honorarium and consultancy fees	78,25,388	53,57,657
Insurance expense	14,04,574	9,62,712
Rent expense	36,24,445	39,83,770
Communication expense	7,84,956	8,83,236
Teaching and learning material	1,09,00,238	56,61,753
Training expense	17,71,744	6,03,040
Travel and conveyance expense	1,84,11,463	1,41,10,917
Printing and stationery expense	23,11,287	14,27,939
Software and computer consumables	2,92,969	1,10,360
Repair and maintenance	7,33,413	2,32,211
Office expenses	1,39,58,904	1,23,85,044
School/Tuition Fees	97,86,550	1,33,79,327
Total (₹)	14,84,44,433	14,21,10,884



Annexure E - Background of Company

Pratham Mumbai Education Initiative ('the Trust') started its operation on 15 April 1994 and got its registration as a trust under Bombay Trust Act, 1950 on 11 January 1995 vide file number E-15454. The Trust has been granted an exemption under Section 12A of the Income Tax Act, 1961, vide application no. TR/32368. The exemption has been granted with effect from 15.04.1994, Consequently, the aforesaid certificate was renewed w.e.f. 23 September 2021 vide application No. 246649220060821 dated 06.08.2021 The Trust has been registered under the Foreign Contribution (Regulation) Act, 1976 for carrying out activities of educational nature with registration no. 083780624 vide letter no. II/21022/68(15)/98. – FCRA, III dated 20.01.1998 Consequently, the aforesaid certificate was renewed w.e.f. 01 November 2016 vide letter No 0300062652016 for a period of 5 years. It was further renewed w.e.f 1 April 2022 vide letter No. 0300020572021 dated 16 March 2022 in accordance with Section 16 of The Foreign Contribution (Regulation) Act 2010 for the period of another 5 years.

The main object of the Trust is to work towards the universalization of good education primarily in the slums of Mumbai and adjacent areas for all children at least upto the age of fourteen.

Annexure F - Significant Accounting Policies

1. Basis of accounting

The financial statements of the Trust have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the applicable accounting standards and Technical Guide on Accounting for Not-for-Profit Organisations (NPOs) issued by the Institute of Chartered Accountants of India and the Generally Accepted Accounting Principles ("GAAP") in India. The Financial Statements have been prepared using the format as specified in Bombay Trust Act, 1950.

The Trust is complying with the Accounting Standards (AS), applicable to a Level IV Entity - Small and Medium Sized Enterprise (SME), as notified in the announcement made by ICAI which is effective for all accounting periods commencing on or after 1 April, 2020. Pursuant to the Exemption/relaxation applicable to a SME, AS 3 - Cash Flow Statement, AS 17 - Segment Reporting, AS 18 - Related Party Disclosures and As-20 Earning Per Share is not applicable to the Trust. Further, certain disclosure requirement in AS 15 (R) - Employee Benefits, AS 19 - Leases and AS 29 - Provisions, Contingent Liabilities and Contingent Assets are also not applicable to the Trust.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

3. Fixed assets and depreciation

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

4. Recognition of grants and donations

Corpus fund

Corpus fund relates to funds contributed by the founder members at the time of incorporation and donations received with the direction to be included as a part of the Corpus.

Restricted funds

The Trust receives funds which are restricted/specific in nature from foreign and domestic sources. Revenue from restricted funds is recognised during the year in the Income and Expenditure Account to match the related expenditure. The balance amount is carried forward in the restricted fund for use in future periods. Grant related to depreciable assets are transferred to the capital asset fund as and when the property, plant and equipment are purchased. Depreciation of these property, plant and equipment is debited to the capital asset fund through the Income and Expenditure Account and further in the Balance Sheet. The income earned on the unutilized amount out of such funds is credited to the respective fund or the income and Expenditure Account as per the terms of of agreement executed with respective donors.

Unrestricted funds

The Trust also receives donations from foreign and domestic sources. These are recognised as income at the time of receipt. The excess of income over expenditure during the year, being general purpose in nature is carried forward for use in future periods and is presented as General Fund in the Balance Sheet.

5. Employee Benefits

Defined Contribution Plans

Provident fund benefit is a defined contribution plan under which the Trust pays fixed contribution into funds established under Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Trust has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short term nature. The Trust's contributions paid/payable under the scheme is recognized as an expense in the Income and Expenditure Account during the year in which the employee renders the related service.

Post-retirement contribution plans such as Employees' Pension Scheme, Labour Welfare Fund, Employee State Insurance Corporation (ESIC) are charged to the profit or loss for the year when the contributions to the respective funds accrue. The Trust does not have any obligation other than the contribution made.



Short term benefits

All employee benefits payable / available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Income and Expenditure Account in the period in which the employee renders the related service.

Defined Benefit Plan - Gratuity (Funded) :

The Trust provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The vesting period is 5 years from an eligible employee's date of joining. The Trust's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/ gains are recognised in the Income and Expenditure Account in the period in which they arise. The Trust funds its gratuity with the insurer and difference between plan assets and present value of obligations as at balance sheet date is recognized in financial statements.

Compensated absences (Unfunded)

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the period end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits. The Trust's liability is actuarially determined (using the Projected Unit Credit method) at the end of each period. Actuarial losses/ gains are recognised in the Income and Expenditure Account in the period in which they arise.

6. 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 Trust. Foreign currency expenditure is recorded using the spot rates prevailing on the date of transaction as per Foreign Inward Remittance Certificate (FIRC) document.

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

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

7. Income Tax

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

8. Other Receipts

Other receipts include the reimbursement of expenses incurred by the Trust on various programmes which are recognised on receipt on grounds of prudence. Interest income is recognised on a time proportion basis taking into account the outstanding amount and applicable rate.

9. Cash and bank balances

Cash and bank balances include cash in hand, balances and demand deposits with banks.

10. Provisions and contingencies

A provision is recognised when the Trust has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is recognised where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

11. Leases

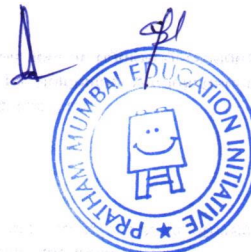
Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Income and Expenditure Account on a straight-line basis over the lease term.

Financial Lease

Leases under which the Trust assumes substantially all the risks and rewards of ownership are classified as finance leases. The lower of fair value of asset and present value of minimum lease rentals is capitalised as property, plant and equipment with corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease liability and interest component is charged to Income and Expenditure Account.

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Pratham Mumbai Education Initiative

Summary of significant accounting policy and notes to the financial statements for the year ended 31 March 2023

(All amounts are in ₹, unless otherwise stated)

Annexure G - Notes to the accounts

1. Employee benefits

(i) Defined Benefit Plan - Gratuity (funded)

The Trust has a funded scheme and is investing the Gratuity liability into a Gratuity Trust, which is being managed by Life Insurance Corporation Limited.

A. Amount to be recognised in balance sheet and movement in net liability :

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of defined funded obligation	1,64,20,891	1,33,32,037
Fair value of plan assets	(87,22,421)	(82,30,111)
Net liability recognised in the Balance Sheet	76,98,470	51,01,926

B. Expenses recognised in the Income and Expenditure Account :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current service cost	16,48,120	13,11,626
Interest cost on defined benefit obligation	4,32,718	1,35,251
Net actuarial loss/(gain)	2,12,461	22,40,394
Expense recognised in the Income and Expenditure Account	22,93,299	36,87,271

C. Reconciliation of benefit obligation :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Present value of defined benefit obligation at the beginning of the year	1,33,32,037	97,41,609
Current service cost	16,48,120	13,11,626
Benefits paid	(6,04,140)	(1,80,746)
Interest cost	10,25,989	6,62,301
Actuarial (gain)/loss on obligation	1,23,811	27,50,653
Others	8,95,074	(9,53,406)
Closing defined benefit obligation	1,64,20,891	1,33,32,037

D. Reconciliation of fair value of plan assets :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening fair value of plan assets	82,30,111	77,67,140
Expected return on plan assets	5,93,271	5,27,050
Actuarial gain/(loss) on plan assets	(88,650)	5,10,259
Benefits paid	(6,04,140)	(1,80,746)
Contributions by employer	7,64,991	5,59,814
Others	(1,73,162)	(9,53,406.00)
Closing fair value of plan assets	87,22,421	82,30,111

E. Actual return of plan assets :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Expected return on plan assets	5,93,271	5,27,050
Actuarial loss on plan assets	(88,650)	5,10,259
Actual return on plan assets	5,04,621	10,37,309



F. Summary of actuarial assumptions:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate (%)	7.50%	7.23%
Expected rate of return on assets (%)	7.50%	7.23%
Salary escalation rate (%)	8.00%	8.00%
Attrition rate age (years):	For service 4 years and below 25.00% p.a & For service 5 years and above 2.00% p.a.	For service 4 years and below 25.00% p.a & For service 5 years and above 2.00% p.a.
Mortality	IALM 2012- 14 (Urban)	IALM 2012- 14 (Urban)
Retirement age	58 years	58 years

Notes:

1. The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.
2. 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

(ii) Contribution to provident fund and other funds

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Employees' state insurance (ESI)	11,04,166	1,99,363
Provident fund	87,80,611	76,73,701
	98,84,777	78,73,064



Pratham Mumbai Education Initiative
Summary of significant accounting policy and notes to the financial statements for the year ended 31 March 2023
(All amounts are in ₹, unless otherwise stated)

2. Payment to auditors (including applicable taxes but excluding out of pocket expenses)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For Statutory Audit	13,45,200	10,62,000

3. The Trust has filed the report of changes in immovable and movable properties with the Charity Commissioner, beyond the stipulated time period as required under Section 36B of the Maharashtra Public Trusts Act 1950 ("Act"). The Trust does not expect any potential liability as per the provisions of the Act and therefore, no provision has been recognized.

4. Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, (MSMED Act, 2006) for the year ended 31 March 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Federation.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	-	-
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

5. Contingent Liabilities

The Trust has entered into a co-operation agreement with Yashwantrao Chavan Pratishthan (Mumbai) on 29 April 2008, for the use of premises area of 2400 sq. ft.. Yashwantrao Chavan Pratishthan Mumbai received the order from Brihanmumbai Municipal Corporation ("BMC") for the payment of property tax bills. Further, The District Collector, Mumbai has also rolled out a notice to Yashwantrao Chavan Pratishthan Mumbai for payment of Ground rent. As per agreement entered, the Trust will have to bear the demand in proportion to the area covered by the Trust. Prior year it was assessed by the management on account of the above matter there could be an impact amounting to ₹ 2,112,358.

However, in the current year Yashwantrao Chavan Pratishthan demanded an amount of ₹ 697,415 for a period from June 2008 to March 2022 and the same has been paid by the Trust on 31 March 2023.

For Walker Chandiook & Co LLP
 Chartered Accountants
 Firm's Registration No.: 001076N/N500013

Jyoti
Jyoti Vaish
 Partner
 Membership No.: 096521

Place: Mumbai
 Date: 22 September 2023



For and on behalf of Board of Trustees of
 Pratham Mumbai Education Initiative

Farida Lambay
Mrs. Farida Lambay
 Trustee
 Executive Secretary

Place: Mumbai
 Date: 22 September 2023



Hasit Joshipura
Mr. Hasit Joshipura
 Chairman

Place: Mumbai
 Date: 22 September 2023

Schedule IX-D
[See Rule 19 (2A)]

Information to be submitted by the Auditor along with Audit Report under sub-section (1) of section 34 of the Maharashtra Public Trusts Act

S.No.	Particulars	Details		
1.	PAN No. of Trust	AAATP3113H		
2.	Registration No. with date of registration under section 12AA of Income Tax Act, 1961 (43 of 1961)	AAATP3113HE20169 Dated 23/09/2021		
3.	Acknowledgement No. with date of filing of the Return of Income for earlier three years	Sr.No.	Acknowledgement No.	Year
	Dated 12/01/2021	1	203174770120121	FY 2019-20
	Dated 11/02/2022	2	160231870110222	FY 2020-21
	Dated 17/02/2023	3	729062840171022	FY 2021-22
4.	PAN No. of all Trustees	Sr.No.	Name of Trustee	PAN No.
		1.	Mr. Sharad Kale (Deceased – 31 March 2023)	AHUPK5999F
		2.	Ms. Farida Lambay	AATPL5351N
		3.	Dr. Madhav Chavan	AAAPC9264C
		4.	Dr. Hasit Joshipura	ADTPJ4819N
		5.	Ms. Usha Rane	ABYPR1122P
		6.	Dr. Vaijayanti Pandit	AJYPP7673D
		7.	Mr. Satish Sahney	ANSPS2862D
		8.	Dr. Varsha Shrikant Gaathoo (w.e.f – 29 December 2022)	ACXPG1368A
		9.	Ms. Melattur Viswanathan Bhanumathi (w.e.f - 29 December 2022)	ADEPB8206A

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Jyoti
Jyoti Vaish
Partner
Membership No.: 096521



Place : Mumbai
Date : 22 September 2023

For and on behalf of Board of Trustees of
Pratham Mumbai Education Initiative

Farida Lambay
Mrs. Farida Lambay
Trustee

Hasit Joshipura
Mr. Hasit Joshipura
Chairman

Place : Mumbai
Date : 22 September 2023

Place : Mumbai
Date : 22 September 2023