

Financial Statements and Auditors' Report  
**Pratham Mumbai Education Initiative**  
31 March 2024

**Walker Chandiok & Co LLP**

---

**Walker Chandiok & Co LLP**

L-41, Connaught Circus,  
Outer Circle,  
New Delhi - 110 001  
India

T +91 11 4500 2219  
F +91 11 4278 7071

**Independent Auditor's Report**

**To the Trustees of Pratham Mumbai Education Initiative**

**Report on the Audit of 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 2024, the Income and Expenditure Account and the Statement of Income of the Public Trust liable to Contribution for the year then ended, and notes to the accompanying financial statements, including 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 and the Rules made thereunder, to the extent relevant and applicable, and give a true and fair view in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable and other accounting principles generally accepted in India, including of the state of affairs of the Trust as at 31 March 2024, its financial performance 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 and presentation 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 Standards issued by the ICAI, to the extent applicable and other accounting principles generally accepted in India and in compliance with the Act and the Rules made thereunder, to the extent relevant and applicable. This responsibility also includes design, implementation and maintenance of adequate internal controls 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.





# Walker Chandiook & Co LLP

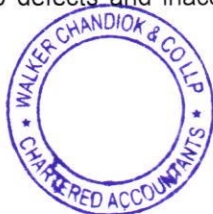
## Independent Auditor's Report to the members of Pratham Mumbai Education Initiative on the financial statements for the year ended 31 March 2024 (cont'd).

### 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 Standards on Auditing 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 issued by the ICAI, 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 with reference to financial statements 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 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 2024:
  - 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 within the stipulated time as mentioned under section 36B of the Act to the regional office. Further, there were no defects and inaccuracies mentioned in the previous audit report, which are required to be complied with;



## Walker Chandiok & Co LLP

### Independent Auditor's Report to the members of Pratham Mumbai Education Initiative on the financial statements for the year ended 31 March 2024 (cont'd).

- 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 ₹ 864,913 and the amounts written off is ₹ 862,279;
- i) On the basis of test checks carried out by us, tenders were invited for repairs or construction involving expenditure exceeding ₹5,000,;
- 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 misapplication 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 2023-24;
- 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 2024;
- p) The Trust has held meetings regularly as provided in Trust Deed during the year ended 31 March 2024;
- q) The Trust has maintained minute books of the proceedings of meetings held by its Trustees during the year ended 31 March 2024;
- 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 2024; 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 Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

  
**Kartik Gogia**

Partner  
Membership No.: 512371



UDIN: - 24512371BKFEXD5046

Place: Gurugram  
Date: 21 September 2024



SCHEDULE - IX C  
(Vide Rule 32)

Statement of income of the public trust liable to contribution for the year ending 31 March 2024

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

Registered No. : E - 15454

Particulars	Amount
<b>II. Items not chargeable to Contribution under Section 58 and Rules 32 -</b>  (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.	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.
<b>Gross Annual Income chargeable to contribution Rs.</b>	

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.

As per our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.:001076N/N500013

For and on behalf of Board of Trustees of

**Pratham Mumbai Education Initiative**

  
**Kartik Gogia**  
Partner

Membership No.: 512371

Place: Gurugram

Date: 21 September 2024





**Mrs. Farida Lambay**

Trustee

Executive Secretary

Place : Mumbai

Date: 21 September 2024





**Dr. Madhav Chavan**

Trustee

Place : Mumbai

Date : 21 September 2024

**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 2024**

(All amounts are in ₹, unless otherwise stated)

Registration No.E15454

Funds & Liabilities	As at 31 March 2024	As at 31 March 2023	Property and Assets	As at 31 March 2024	As at 31 March 2023
<b>Trust Funds or Corpus</b>			<b>Immovable Properties</b>		
Balance as per last Balance Sheet	5,63,296	5,63,296	Balance as per last Balance Sheet	15,32,10,925	17,09,26,936
	<b>5,63,296</b>	<b>5,63,296</b>	Depreciation for the year	(1,40,81,549)	(1,77,16,011)
<b>Liabilities :-</b>				<b>13,91,29,376</b>	<b>15,32,10,925</b>
For expenses	35,95,492	55,45,436	<b>Furniture and Fixtures :</b>		
For sundry credit balances	1,15,28,141	1,75,27,413	Balance as per last Balance Sheet	51,15,283	48,74,540
	<b>1,51,23,633</b>	<b>2,30,72,849</b>	Additions during the year	27,75,008	8,60,186
<b>Income and Expenditure Account</b>			Sales/deletion during the year	(8,70,559)	(92,943)
Balance as per last Balance Sheet	26,62,04,869	26,14,70,487	Depreciation for the year	(6,03,667)	(5,26,500)
(Deficit)/surplus as per Income & Expenditure account	(1,99,55,966)	47,34,382		<b>64,16,065</b>	<b>51,15,283</b>
Net balance	<b>24,62,48,903</b>	<b>26,62,04,869</b>	<b>Other Fixed Assets (Refer Annexure A)</b>		
			Balance as per last Balance Sheet	1,02,38,788	1,04,90,726
			Additions during the year	9,74,260	26,21,059
			Sales/deletion during the year	-	(7,404)
			Depreciation for the year	(23,73,634)	(28,65,593)
				<b>88,39,414</b>	<b>1,02,38,788</b>
			<b>Advances :-</b>		
			To Employees	8,82,629	12,42,640
			To Others*	3,93,78,506	3,88,17,014
			Tax deducted at source	5,00,826	8,67,140
				<b>4,07,61,961</b>	<b>4,09,26,794</b>
			* This primarily includes security deposits and advances to contractors		
			<b>Income Outstanding</b>		
			Interest accrued on fixed deposits	16,95,604	3,36,112
				<b>16,95,604</b>	<b>3,36,112</b>
			<b>Cash and Bank Balances (Refer Annexure B)</b>		
			(a) In Saving account with banks	1,43,81,032	67,81,294
			(b) In Fixed deposit account with banks	5,07,12,380	7,32,31,818
				<b>6,50,93,412</b>	<b>8,00,13,112</b>
<b>Total (₹)</b>	<b>26,19,35,832</b>	<b>28,98,41,014</b>	<b>Total (₹)</b>	<b>26,19,35,832</b>	<b>28,98,41,014</b>

**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

*Katik Gogia*

**Katik Gogia**  
Partner  
Membership No.: 512371

Place: Gurugram  
Date: 21 September 2024



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

*Mrs. Farida Lambay* *Dr. Madhav Chavan*

**Mrs. Farida Lambay**  
Trustee  
Executive Secretary

**Dr. Madhav Chavan**  
Trustee

Place: Mumbai  
Date: 21 September 2024

Place: Mumbai  
Date: 21 September 2024

**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 2024**

(All amounts are in ₹, unless otherwise stated)

		Registration No.E15454			
<b>Expenditure</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>	<b>Income</b>	<b>For the year ended 31 March 2024</b>	<b>For the year ended 31 March 2023</b>
<b>To Expenditure In respect of properties :-</b>			<b>By Interest</b>		
Rates, taxes, cesses	4,43,118	4,64,730	On Bank Accounts		
Repairs and maintenance	15,32,559	11,86,902	Fixed deposit with banks	34,17,063	14,82,049
Depreciation	1,40,81,549	1,77,16,011	Saving bank accounts	4,35,339	5,52,240
Other expenses	23,600	1,24,492	On Security Deposit	-	11,580
	<b>1,60,80,826</b>	<b>1,94,92,135</b>		<b>38,52,402</b>	<b>20,45,869</b>
<b>To Establishment expenses (Refer Annexure C)</b>	1,53,40,812	1,21,65,582	<b>By Donation in cash or kind</b>	15,39,79,422	18,84,29,553
<b>To Legal and Professional expenses</b>	19,33,860	8,41,700	<b>By Income from other sources</b>		
<b>To Amount written off</b>	8,62,279	1,00,347	Interest on Income tax refund	49,140	-
<b>To Audit fees (including goods and services tax) (refer note 2)</b>	14,94,838	13,45,200	Sundry receipts	13,376	40,450
			Liabilities / provisions no longer required	8,806	-
				<b>71,322</b>	<b>40,450</b>
<b>To Depreciation</b>	29,77,301	33,92,093	<b>By Deficit/(surplus) carried over to Balance Sheet</b>	1,99,55,966	(47,34,382)
<b>To Expenditure on objects of the trust Educational (Refer Annexure D)</b>	13,91,69,196	14,84,44,433			
<b>Total (₹)</b>	<b>17,78,59,112</b>	<b>18,57,81,490</b>	<b>Total (₹)</b>	<b>17,78,59,112</b>	<b>18,57,81,490</b>

**Significant Accounting Policies  
Notes to the accounts**

Annexure F  
Annexure G

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

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



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

**Kartik Gogia**  
Partner  
Membership No.: 512371



**Place:** Gurugram  
**Date:** 21 September 2024

**Mrs. Farida Lambay**  
Trustee  
Executive Secretary

**Dr. Madhav Chavan**  
Trustee

**Place:** Mumbai  
**Date:** 21 September 2024

**Place:** Mumbai  
**Date:** 21 September 2024



**Pratham Mumbai Education Initiative**

**Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2024**

(All amounts are in ₹, unless otherwise stated)

**Annexure A - Other fixed assets**

Particulars	Rate of depreciation	Opening WDV as on 1 April 2023	Sales/deletion during the year	Additions during the year	Total	Depreciation for the year	Closing WDV as on 31 March 2024
Computers	40%	24,70,697	-	5,63,659	30,34,356	11,47,056	18,87,300
Office equipments	15%	70,75,082	-	4,10,601	74,85,683	11,22,626	63,63,057
Vehicles	15%	6,93,009	-	-	6,93,009	1,03,952	5,89,057
<b>Grand Total</b>		<b>1,02,38,788</b>	<b>-</b>	<b>9,74,260</b>	<b>1,12,13,048</b>	<b>23,73,634</b>	<b>88,39,414</b>

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 equipments	15%	71,77,163	5,798	11,08,278	82,79,643	12,04,561	70,75,082
Vehicles	15%	8,15,305	-	-	8,15,305	1,22,296	6,93,009
<b>Grand Total</b>		<b>1,04,90,726</b>	<b>7,404</b>	<b>26,21,059</b>	<b>1,31,04,381</b>	<b>28,65,593</b>	<b>1,02,38,788</b>





**Pratham Mumbai Education Initiative****Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2024***(All amounts are in ₹, unless otherwise stated)***Annexure B - Cash and bank balances**

Particulars	As at 31 March 2024	As at 31 March 2023
A. In Saving account with banks	1,43,81,032	67,81,294
B. In Fixed deposits with banks	5,07,12,380	7,32,31,818
<b>Total (₹) (A+B)</b>	<b>6,50,93,412</b>	<b>8,00,13,112</b>

**Annexure C - Establishment expenses (administration expenses)**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages (including gratuity) (Refer Note 1 of Annexure G)	67,34,768	49,88,864
Insurance expense	4,99,849	4,84,610
Communication expense	2,26,658	1,69,411
Training expense	13,849	57,676
Travel and conveyance expense	69,921	85,879
Printing and stationery expense	2,43,316	34,215
Software and computer consumables	33,234	9,267
Repair and maintenance	63,22,043	45,75,266
Office expenses	11,97,174	17,60,394
<b>Total (₹)</b>	<b>1,53,40,812</b>	<b>1,21,65,582</b>

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salary and wages (including gratuity) (Refer note 1 of Annexure G)	8,29,94,666	7,66,38,502
Honorarium and consultancy fees	36,50,967	78,25,388
Insurance expense	36,07,758	14,04,574
Rent expense	41,73,568	36,24,445
Communication expense	2,60,969	7,84,956
Teaching and learning material	49,55,191	1,09,00,238
Training expense	31,04,340	17,71,744
Travel and conveyance expense	1,77,93,227	1,84,11,463
Printing and stationery expense	15,25,286	23,11,287
Software and computer consumables	1,44,166	2,92,969
Repair and maintenance	1,89,668	7,33,413
Office expenses	70,49,496	1,39,58,904
School/tuition Fees	97,19,894	97,86,550
<b>Total (₹)</b>	<b>13,91,69,196</b>	<b>14,84,44,433</b>



#### Annexure E - Background of Trust

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. 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, to the extent applicable/considered relevant by the management.

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 (Generally Accepted Accounting Principles) requires the management to make judgements, estimates and assumptions that affect the reported amount of expenses, assets and 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.

##### 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.

###### General funds

The Trust also receives "general funds" which are not subject to grantor stipulations as to use, and the same may be used as per the management's discretion. The surplus earned during the year, being general purpose in nature is carried forward for use in future periods. In case of deficit, if in any year, the same is adjusted against General fund.

##### 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**

**Initial recognition:**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Subsequent recognition:**

As at the reporting date, 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 the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all monetary items are recognized in the Income and Expenditure Account.

**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. Revenue recognition**

-Grants and donations received for which there are no stipulations as to use are recognized in the Income and Expenditure Account as revenue in the period of receipt.

- Grants and donations received for which there are stipulations as to use are recognized in the Income and Expenditure Account as revenue in the period of receipt and as at the balance sheet date, the specific liability known as of year-end with respect to such grants/donations is represented as liability. This specific liability is recognized under liabilities as "Unutilized amount from earmarked funds received."

**9. 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.

**10. Cash and bank balances**

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

**11. 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.





## 12. 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.

### 13 Provisions and Contingent liabilities

estimate of the amount of the obligation can be made.

A disclosure is made for a liability when there is a:

- a) Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Trust; or
- b) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- c) Present obligation, where a reliable estimate cannot be made.

(This space has been intentionally left blank)



**Pratham Mumbai Education Initiative**

**Summary of significant accounting policy and notes to the financial statements for the year ended 31 March 2024**

(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 2024	As at 31 March 2023
Present value of defined funded obligation	1,82,57,138	1,64,20,891
Fair value of plan assets	(83,65,360)	(87,22,421)
<b>Net liability recognised in the Balance Sheet</b>	<b>98,91,778</b>	<b>76,98,470</b>

B. Expenses recognised in the Income and Expenditure Account :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	18,44,865	16,48,120
Interest cost on defined benefit obligation	5,77,385	4,32,718
Net actuarial loss/(gain)	5,11,962	2,12,461
<b>Expense recognised in the Income and Expenditure Account</b>	<b>29,34,212</b>	<b>22,93,299</b>

C. Reconciliation of benefit obligation :

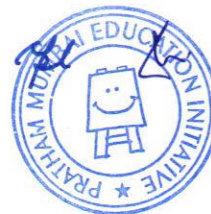
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	1,64,20,891	1,33,32,037
Current service cost	18,44,865	16,48,120
Benefits paid	(8,30,206)	(6,04,140)
Interest cost	12,29,734	10,25,989
Actuarial (gain)/loss on obligation	3,60,761	1,23,811
Others	(7,68,907)	8,95,074
<b>Closing defined benefit obligation</b>	<b>1,82,57,138</b>	<b>1,64,20,891</b>

D. Reconciliation of fair value of plan assets :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening fair value of plan assets	87,22,421	82,30,111
Expected return on plan assets	6,52,349	5,93,271
Actuarial gain/(loss) on plan assets	(1,51,201)	(88,650)
Benefits paid	(8,30,206)	(6,04,140)
Contributions by employer	1,03,089	7,64,991
Others	(1,31,092)	(1,73,162.00)
<b>Closing fair value of plan assets</b>	<b>83,65,360</b>	<b>87,22,421</b>

E. Actual return of plan assets :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Expected return on plan assets	6,52,349	5,93,271
Actuarial loss on plan assets	(1,51,201)	(88,650)
<b>Actual return on plan assets</b>	<b>5,01,148</b>	<b>5,04,621</b>



F. Summary of actuarial assumptions:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate (%)	7.23%	7.50%
Expected rate of return on assets (%)	7.23%	7.50%
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 2024	Year ended 31 March 2023
Employees' state insurance (ESI)	8,20,097	11,04,166
Provident fund	88,09,270	87,80,611
	<u>96,29,367</u>	<u>98,84,777</u>





**Annexure G - Notes to the accounts**

**2. Payment to auditors (including applicable taxes)**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
For Statutory Audit	13,45,200	13,45,200
Reimbursement of expenses	1,49,638	-
	<b>14,94,838</b>	<b>13,45,200</b>

3. The Trust has filed the report of changes in immovable and movable properties with the Charity Commissioner , within the stipulated time periods 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 2024 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 2024	Year ended 31 March 2023
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	-	-

As per our report of even date

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

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

  
**Kartik Gogia**  
Partner

Membership No.: 512371

Place: Gurugram  
Date: 21 September 2024





**Mrs. Farida Lambay**  
Trustee  
Executive Secretary

Place: Mumbai  
Date: 21 September 2024





**Dr. Madhav Chavan**  
Trustee

Place: Mumbai  
Date: 21 September 2024

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 11/01/2022	1.	160231870110222	FY 2020-21
	Dated 17/10/2023	2.	729062840171022	FY 2021-22
	Dated 06/11/2023	3.	504463750061123	FY 2022-23
4.	PAN No. of all Trustees	Sr.No.	Name of Trustee	PAN No.
		1.	Ms. Melattur Viswanathan Bhanumathi.	ADEPB8206A
		2.	Mrs. Farida Lambay	AATPL5351N
		3.	Dr. Madhav Chavan	AAAPC9264C
		4.	Dr. Hasit Joshipura	ADTPJ4819N
		5.	Ms. Usha Rane	ABYPR1122P
		6.	Dr. Vijayanti Pandit	AJYPP7673D
		7.	Dr. Varsha Shrikant Gaatho	ACXPG1368A
		8.	Mr. Satish Sahney	ANSPS2862D

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

  
**Kartik Gogia**  
Partner  
Membership No.: 512371




**Place :** Gurugram  
**Date :** 21 September 2024

**For and on behalf of Board of Trustees of**  
Pratham Mumbai Education Foundation

  
**Mrs. Farida Lambay**  
Trustee

**Place :** Mumbai  
**Date :** 21 September 2024

  
**Dr. Madhav Chavan**  
Trustee

**Place :** Mumbai  
**Date :** 21 September 2024

