Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Trustees of Pratham Mumbai Education Initiative
Report on the Audit of Foreign Contribution Financial Statements

Opinion

1. We have audited the accompanying special purpose financial statements of Pratham Mumbai Education Initiative ('the Trust'), which comprise the Balance Sheet as at 31 March 2025, Statement of Income and Expenditure, the Statement of Receipts and Payments for the year then ended, and notes to accompanying financial statements including a summary of significant accounting policies and other explanatory information (together hereinafter referred to as 'Foreign Contribution Financial Statements'), which have been prepared by the Trust's management in accordance with the basis of preparation specified in Note 1 of Annexure G to the Foreign Contribution Financial Statements, pursuant to the requirement of section 19 of the Foreign Contribution (Regulation) Act, 2010 (as amended) ('Act') read with Rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Foreign Contribution Financial Statements are prepared, in all material respects, in accordance with the basis of preparation as described in Note 1 of Annexure G to these Foreign Contribution Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('the ICAI'). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Foreign Contribution Financial Statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') and we have fulfilled our other 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.

Emphasis of Matter- Basis of preparation and Restriction on distribution or use

4. Without modifying our opinion, We draw attention to note 1 of Annexure G to these Foreign Contribution Financial Statements, which describes the basis of preparation used by the Trust's management for the preparation of these financial statements. The accompanying Foreign Contribution Financial Statements have been prepared by the management solely for the purpose of enabling the management to comply with the requirements of Rule 17(5) of the Rules, which requires them to submit this report along with the accompanying Foreign Contribution Financial Statements to the Ministry of Home Affairs and therefore, these Foreign Contribution Financial Statements may not be suitable for any other purpose. Our report is issued solely for the aforementioned purpose and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Independent Auditor's Report to the members of Pratham Mumbai Education Initiative on the foreign contribution financial statements for the year ended 31 March 2025 (cont'd)

5. Our work was performed solely to assist you in meeting your responsibilities in relation to submission of accompanying Foreign Contribution Financial Statements with the Ministry of Home Affairs. The management has also prepared complete set of financial statements for Trust for the purpose of submission with Form 10B of the Income Tax Rules, 1962 and for the purpose of compliance with applicable provisions of The Maharashtra Public Trust Act, 1950 and The Maharashtra Public Trusts Rules, 1951. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Foreign Contribution Financial Statements

6. The Trust's Management is responsible for the preparation of these Foreign Contribution Financial Statements in accordance with the basis of preparation specified in note 1 of Annexure G to the Foreign Contribution Financial Statements including determination that such basis of preparation is acceptable in the circumstances. This responsibility also includes design, implementation and maintenance of adequate internal financial controls, relevant to the preparation of the Foreign Contribution Financial Statements, in all material respects, in accordance with the basis of preparation specified in aforementioned note 1 of Annexure G and that are free from material misstatement, whether due to fraud or error.

7. In preparing the Foreign Contribution Financial Statements, 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 management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

8. The Management is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibility for the Audit of the Foreign Contribution Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Foreign Contribution 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 Foreign Contribution Financial Statements.

10. As part of an audit in accordance with Standards on Auditing issued by 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 effectiveness of the Trust's internal controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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

11. 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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Independent Auditor's Report to the members of Pratham Mumbai Education Initiative on the foreign contribution financial statements for the year ended 31 March 2025 (cont'd)

Report on Other Legal and Regulatory Requirements

12. As required under Rule 17(5) of the Rules and basis the Foreign Contribution Financial Statements for the year ended 31 March 2025, we report that:

    (i) The brought forward foreign contribution at the beginning of the year ended 31 March 2025 was Rs. 5,95,29,801;

    (ii) Foreign contribution of Rs. 6,33,04,595 was received by the Trust during the year ended 31 March 2025;

    (iii) Interest accrued on foreign contribution and other income derived from foreign contribution or interest thereon of Rs. 35,60,073 was received by the Trust during the year ended 31 March 2025;

    (iv) The balance of unutilised foreign contribution with the Trust as at 31 March 2025 is Rs. 6,15,99,282;

    (v) The Trust has maintained the accounts of foreign contribution and records relating thereto in the manner specified in Section 19 of the Act read with Rule 17 of the Rules;

    (vi) The information in the enclosed Balance Sheet, Statement of Income and Expenditure and Statement of Receipts & Payments is correct as checked by us;

    (vii) The Trust has utilised the foreign contribution received for the purposes it is registered/granted prior permission under the Act;

    (viii) Basis our examination of all relevant books and records, the activities/ project wise and location wise details of receipt and utilisation of foreign contribution of the Trust are as under:

Sl. No	Name of project / activity	Address/ location	Previous balance		Receipt during the year		Utilised		Balance	
			in cash	in kind	in cash	in kind	in cash	In kind	in cash	in kind
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Education	Andhra Pradesh, Madhya Pradesh, Rajasthan, Uttar Pradesh, Bihar, Gujarat, Telangana & Maharashtra	Rs. 5,95,29,801	-	Rs. 6,68,64,668	-	Rs. 6,47,95,187		Rs. 6,15,99,282	-

    (ix) Basis our examination of all relevant books and records, including the items mentioned in column 8 of Form FC-4, and to the best of our knowledge and belief the Trust has not violated any provisions of the Act or rules made thereunder or notifications issued thereunder.

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

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Kartik Gogia
Partner
Membership No.: 512371
UDIN: 25512371BMNUHK7279

Place: Gurugram
Date: 17 October 2025

Name of the Public Trust: Pratham Mumbai Education Initiative
Receipt and Payment Account for the year ended 31 March 2025 (Foreign Contribution)

(All amounts are in ₹, unless otherwise stated) Registration No.E15454

Receipts	For the year ended 31 March 2025	For the year ended 31 March 2024	Payments	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening cash and bank balances as on 1 April 2024			Expenditure on objects of the trust and other expenses	6,42,02,580	7,42,56,947
In savings bank accounts	94,92,421	28,21,568			
In fixed deposits accounts with bank	5,00,37,380	7,06,82,553	Purchase of assets (Addition)	5,08,097	30,15,345
	5,95,29,801	**7,35,04,121**			
			Security Deposit	84,510	-
Interest received	35,60,073	22,63,736			
			Closing cash and bank balances as on 31 March 2025		
Donation received	6,33,04,595	6,09,66,226			
			In savings bank accounts	83,94,198	94,92,421
Security deposit	-	68,010	In fixed deposits accounts with bank	5,32,05,084	5,00,37,380
				6,15,99,282	**5,95,29,801**
Total (₹)	**12,63,94,469**	**13,68,02,093**	**Total (₹)**	**12,63,94,469**	**13,68,02,093**

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

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

Kartik Gogia
Partner
Membership No.: 512371

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 17 October 2025

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

Mrs. Farida Lambay
Trustee
Executive Secretary

PRATHAM MUMBAI EDUCATION INITIATIVE ★

Place : Mumbai
Date: 17 October 2025

Ms. Usha Rane
Trustee

Place : Mumbai
Date: 17 October 2025

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 2025 (Foreign Contribution)

(All amounts are in ₹, unless otherwise stated) | **Registration No.E15454**

Funds & Liabilities	As at 31 March 2025	As at 31 March 2024
Trust Funds or Corpus		
Balance as per last Balance Sheet	2,760	2,760
	2,760	**2,760**
Liabilities :-		
For expenses	22,04,072	27,09,234
For sundry credit balances	86,16,477	42,46,713
	1,08,20,549	**69,55,947**
Income and Expenditure Account		
Balance as per last Balance Sheet	24,19,84,471	26,32,21,238
(Deficit) as per Income & Expenditure account	(1,70,23,251)	(2,12,36,767)
Net balance	**22,49,61,220**	**24,19,84,471**
Total (₹)	**23,57,84,529**	**24,89,43,178**

Property and Assets	As at 31 March 2025	As at 31 March 2024
Immovable properties		
Balance as per last Balance Sheet	13,91,29,376	15,32,10,925
Depreciation for the year	(1,26,73,395)	(1,40,81,549)
	12,64,55,981	**13,91,29,376**
Furniture and Fixtures :		
Balance as per last Balance Sheet	54,40,219	44,00,200
Additions during the year	10,550	24,04,773
Sales/deletion during the year	(19,392)	(8,62,279)
Depreciation for the year	(5,52,640)	(5,02,475)
	48,78,737	**54,40,219**
Other fixed assets (Refer Annexure A)		
Balance as per last Balance Sheet	69,03,887	79,64,633
Additions during the year	4,97,547	6,10,572
Sales/deletion during the year	(18,922)	-
Depreciation for the year	(15,07,355)	(16,71,318)
	58,75,157	**69,03,887**
Advances :-		
To Employees	92,885	2,20,040
To Others*	3,45,47,305	3,45,86,455
Tax deducted at source	16,82,565	14,71,048
	3,63,22,755	**3,62,77,543**
* This primarily includes security deposits and advances to contractors		
Income outstanding		
Interest accrued on fixed deposits	6,52,617	16,62,352
	6,52,617	**16,62,352**
Cash and bank balances (Refer Annexure B)		
(a) In Saving account with banks	83,94,198	94,92,421
(b) In Fixed deposit account with banks	5,32,05,084	5,00,37,380
	6,15,99,282	**5,95,29,801**
Total (₹)	**23,57,84,529**	**24,89,43,178**

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

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

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

Kartik Gogia
Partner
Membership No.: 512371

Place: Gurugram
Date: 17 October 2025

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

Mrs. Farida Lambay
Trustee
Executive Secretary

Place : Mumbai
Date: 17 October 2025

Ms. Usha Rane
Trustee

Place : Mumbai
Date: 17 October 2025

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 2025 (Foreign Contribution)

(All amounts are in ₹, unless otherwise stated) **Registration No.E15454**

Expenditure	For the year ended 31 March 2025	For the year ended 31 March 2024	Income	For the year ended 31 March 2025	For the year ended 31 March 2024
To Expenditure in respect of properties :-			**By Interest**		
Rates, taxes, cesses	4,83,106	4,43,118	On Bank Accounts		
Repairs and maintenance	3,45,050	15,32,559	Fixed deposit with banks	20,75,620	33,91,733
Depreciation	1,26,73,395	1,40,81,549	Saving bank accounts	4,35,344	2,06,415
Other expenses	-	23,600	On Security Deposit	39,374	-
	1,35,01,551	**1,60,80,826**		**25,50,338**	**35,98,148**
To Establishment expenses (Refer Annexure C)	93,40,819	1,26,16,634	**By Donation in cash or kind**	6,33,04,595	6,62,59,082
To Legal and Professional expenses	10,32,560	14,60,260	**By Income from other sources**		
			Interest on Income tax refund	-	-
To Amount written off	38,314	8,62,279	Sundry receipts	-	12,680
			Liabilities / provisions no longer required	-	8,806
To Audit fees (including goods and services tax) (refer note 2)	14,90,829	14,94,838		-	**21,486**
To Depreciation	20,59,995	21,73,793	**By Deficit carried over to Balance Sheet**	1,70,23,251	2,12,36,767
To Expenditure on objects of the trust					
Educational (Refer Annexure D)	5,54,14,116	5,64,26,853			
Total (₹)	**8,28,78,184**	**9,11,15,483**	**Total (₹)**	**8,28,78,184**	**9,11,15,483**

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

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

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

Kartik Gogia
Partner
Membership No.: 512371

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 17 October 2025

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

PRATHAM MUMBAI EDUCATION INITIATIVE

Mrs. Farida Lambay
Trustee
Executive Secretary

Place : Mumbai
Date: 17 October 2025

Ms. Usha Rane
Trustee

Place : Mumbai
Date: 17 October 2025

Pratham Mumbai Education Initiative

Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2025

(All amounts are in ₹, unless otherwise stated)

Annexure A - Other fixed assets (Foreign Contribution)

Particulars	Rate of depreciation	Opening WDV as on 1 April 2024	Sales/deletion during the year	Additions during the year	Total	Depreciation for the year	Closing WDV as on 31 March 2025
Computers	40%	11,57,725	3,891	4,57,928	16,11,762	6,44,699	9,67,063
Office equipments	15%	51,57,105	15,031	39,619	51,81,693	7,74,297	44,07,396
Vehicles	15%	5,89,057	-	-	5,89,057	88,359	5,00,698
Grand Total		**69,03,887**	**18,922**	**4,97,547**	**73,82,512**	**15,07,355**	**58,75,157**

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%	14,35,458	-	3,82,940	18,18,398	6,60,673	11,57,725
Office equipments	15%	58,36,166	-	2,27,632	60,63,798	9,06,693	51,57,105
Vehicles	15%	6,93,009	-	-	6,93,009	1,03,952	5,89,057
Grand Total		**79,64,633**	**-**	**6,10,572**	**85,75,205**	**16,71,318**	**69,03,887**

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

PRATHAM MUMBAI EDUCATION INITIATIVE *

Pratham Mumbai Education Initiative
Summary of significant accounting policies and notes to the accounts for the year ended 31 March 2025
(All amounts are in ₹, unless otherwise stated)

Annexure B - Cash and bank balances (Foreign Contribution)

Particulars	As at 31 March 2025	As at 31 March 2024
A. In Saving account with banks	83,94,198	94,92,421
B. In Fixed deposits with banks	5,32,05,084	5,00,37,380
Total (₹) (A+B)	**6,15,99,282**	**5,95,29,801**

Annexure C - Establishment expenses (administration expenses) (Foreign Contribution)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages (including gratuity)	28,45,859	44,26,859
Honorarium and consultancy fees	4,50,000	-
Insurance expense	5,02,627	2,96,931
Communication expense	2,00,694	2,23,729
Training expense	26,919	13,849
Travel and conveyance expense	1,20,269	69,921
Printing and stationery expense	1,41,979	2,41,976
Software and computer consumables	29,779	33,234
Repair and maintenance	42,41,163	63,22,043
Office expenses	7,81,530	9,88,092
Total (₹)	**93,40,819**	**1,26,16,634**

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salary and wages (including gratuity)	3,78,90,839	3,79,92,693
Honorarium and consultancy fees	11,53,000	7,80,000
Insurance expense	21,52,138	21,27,860
Rent expense	20,80,808	21,92,598
Communication expense	61,244	1,07,217
Teaching and learning material	5,86,088	11,36,190
Training expense	7,66,251	20,39,334
Travel and conveyance expense	17,38,523	23,59,854
Printing and stationery expense	3,71,282	4,93,020
Software and computer consumables	91,921	67,104
Repair and maintenance	2,47,936	1,44,025
Office expenses	45,93,946	44,68,963
School/tuition Fees	36,80,140	25,17,995
Total (₹)	**5,54,14,116**	**5,64,26,853**

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

PRATHAM MUMBAI EDUCATION INITIATIVE *

Pratham Mumbai Education Initiative

Summary of significant accounting policy and notes to the financial statements for the year ended 31 March 2025

Annexure E - Project wise and location wise details of receipt and utilisation of foreign contribution of the Trust are as under:

Sl. No	Name of project/ activity	Address/ location	Previous balance		Receipt during the year		Utilised		Balance	
			in cash	in kind	in cash	in kind	in cash	In kind	in cash	in kind
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Education	Andhra Pradesh, Madhya Pradesh, Rajasthan, Uttar Pradesh, Bihar, Gujarat, Telangana & Maharashtra	5,95,29,801	-	6,68,64,668	-	6,47,95,187	-	6,15,99,282	-

Annexure F - 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 for all children at least upto the age of fourteen.

Annexure G - Significant Accounting Policies

1. Basis of accounting

The accompanying Foreign contribution Financial statements has been prepared by the management solely for the purpose of enabling the management to comply with the requirements of Rule '17(5) of the Rules, which requires them to submit the report with the accompanying Foreign contribution Financial Statements to the Ministry of Home Affairs and therefore, these Foreign Contribution Financial Statements may not be suitable for any other purpose.

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.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

PRATHAM MUMBAI EDUCATION INITIATIVE *

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. 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.

12. Provisions and Contingent liabilities

The Trust makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable 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 with-in 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.

Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

As per our report of even date

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

Kartik Gogia
Partner
Membership No.: 512371

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Place: Gurugram
Date: 17 October 2025

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

Mrs. Farida Lambay
Trustee
Executive Secretary

PRATHAM MUMBAI EDUCATION INITIATIVE *

Place : Mumbai
Date: 17 October 2025

Ms. Usha Rane
Trustee

Place : Mumbai
Date: 17 October 2025