

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Pardada Pardadi Educational Society ("Society")

Report on the Financial Statements**Opinion**

We have audited the accompanying financial statements of Pardada Pardadi Educational Society ("Society"), New Delhi as at March 31, 2019 which comprise the Balance sheet as at March 31, 2019 and the Income & Expenditure Account for the year ended on that date and Notes to the financial statements, which are in agreement with the books of accounts maintained by the said Society.

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance sheet of the state of affairs of the Society as at March 31, 2019; and
- (b) In the case of the Income & Expenditure Account of the excess of income over expenditure for the year ended on March 31, 2019.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India. 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 Society in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Responsibility of Management for the Financial Statements

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

The management is also responsible for overseeing the Society's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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



S.R. BATLIBOI & Co. LLP

Chartered Accountants

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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 the effectiveness of the Society's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E/E300005

Anil Gupta



Per Anil Gupta

Partner

Membership No. 87921

UDIN: 19087921AAAABX5225

Place of Signature: New Delhi.

Date:

23/9/2018

S.R. BATLIBOI & Co. LLP

Chartered Accountants

4th Floor, Office 405
World Mark - 2, Asset No. 8
IGI Airport Hospitality District, Aerocity
New Delhi - 110 037, India
Tel : +91 11 4681 9500

FORM NO. 10B

[See rule 17B]

Audit report under Section 12A(b) of the Income -Tax Act, 1961, in the case of
charitable or religious trusts or institutions

We have examined the balance sheet of Pardada Pardadi Educational Society ("Society"), New Delhi as at March 31, 2019 and the Income & Expenditure Account for the year ended on that date, which are in agreement with the books of account maintained by the said Society.

We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes, examining on test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis of our opinion.

We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of the audit. In our opinion, proper books of account have been kept by society so far as appears from our examination of the books.

In our opinion and to the best of our information, and according to information given to us, the said accounts give a true and fair view -

(i) in the case of the balance sheet, of the state of affairs of the above-named society as at March 31, 2019.

(ii) in the case of the Income & Expenditure Account, of the excess of income over expenditure for the year ended on March 31, 2019.

The prescribed particulars as certified by the administrator of the society are annexed hereto.

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E/E300005

Anil Gupta

Per Anil Gupta

Partner

Membership No. 87921

UDIN: 19087921AAAABX5225



Place: New Delhi.

Date:

23/9/2018

ANNEXURE**STATEMENT OF PARTICULARS****I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSES**

1	Amount of income of the previous year applied to charitable or religious purposes in India during that year	5,51,41,832#
2	Whether the trust/institution has exercised the option under clause (2) of the Explanation to section 11(1)? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India during the previous year	No
3	Amount of income accumulated or set apart for application to charitable or religious purposes, to the extent it does not exceed 25 per cent of the income derived from property-held under trust wholly/in part only for such purposes.	No
4	Amount of income eligible for exemption under section 11(1)(c) (Give details)	No
5	Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2)	0
6	Whether the amount of income mentioned in item 5 above has been invested or deposited in the manner laid down in section 11(2)(b)? If so, the details thereof	NA
7	Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B)? If so, the details thereof	No
8	Whether, during the previous year, any part of income accumulated or set apart for specified purposes under section 11(2) in any earlier year-	
(a)	has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or	No
(b)	has ceased to remain invested in any security referred to in section 11(2)(b)(i) or deposited in any account referred to in section 11(2)(b)(ii) or section 11(2)(b)(iii), or	No
(c)	has not been utilized for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof? If so, the details thereof	No

#Refer Note 5 under Notes to financial statements of Schedule 16.



II. APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OF PERSONS REFERRED TO IN SECTION 13(3)

1	Whether any part of the income or property of the trust/institution was lent, or continues to be lent, in the previous year to any person referred to in section 13(3) (hereinafter referred to in this Annexure as such person)? If so, give details of the amount, rate of interest charged and the nature of security, if any	No								
2	Whether any land, building or other property of the trust/institution was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any	NO								
3	Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details	Yes								
<table border="1"> <thead> <tr> <th>Details</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Salary *</td> <td>32,14,014</td> </tr> <tr> <td>Reimbursement of Expense</td> <td>2,07,417</td> </tr> <tr> <td>Total</td> <td>34,21,458</td> </tr> </tbody> </table>		Details	Amount	Salary *	32,14,014	Reimbursement of Expense	2,07,417	Total	34,21,458	
Details	Amount									
Salary *	32,14,014									
Reimbursement of Expense	2,07,417									
Total	34,21,458									
*Excluding provision of gratuity liability										
4	Whether the services of the trust/institution were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any	No								
5	Whether any share, security or other property was purchased by or on behalf of the trust/institution during the previous year from any such person? If so, give details thereof together with the consideration paid	No								
6	Whether any share, security or other property was sold by or on behalf of the trust/institution during the previous year to any such person? If so, the trust/institution during the previous year to any such person? If so, give details thereof together with the consideration received	No								
7	Whether any income or property of the trust/institution was diverted during the previous year in favour of any such person? If so, give details thereof together with the amount of income or value of property so diverted	No								
8	Whether the income or property of the trust/institution was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details	No								



S.R. BATLIBOI & Co. LLP

Chartered Accountants

III. INVESTMENTS HELD AT ANY TIME DURING THE PREVIOUS YEAR(S) IN CONCERNS IN WHICH PERSONS REFERRED TO IN SECTION 13(3) HAVE A SUBSTANTIAL INTEREST

Sl. No.	Name and address of the concern	Where the concern is a company, number and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in col. 4 exceeded 5 per cent of the capital of the concern during the previous year-say, Yes/No
1	2	3	4	5	6

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm registration number: 301003E/E300005

Anil Gupta

Per Anil Gupta
Partner

Membership No. 87921

UDIN: 19087921AAAABX5225



Place: New Delhi.

Date:

23/9/2019

PARDADA PARDADI EDUCATIONAL SOCIETY
 Malakpur Road Anupshahr, District Bulandshahr (U.P.)
 Balance Sheet as at March 31, 2019

PARTICULARS	SCHEDULE	Amount (Rs.)	
		As at March 31, 2019	As at March 31, 2018
SOURCES OF FUNDS			
Restricted fund	1	11,84,27,754	7,77,73,604
General fund	1(a)	3,21,38,619	1,84,25,877
TOTAL		15,05,66,373	9,61,99,481
APPLICATION OF FUNDS			
Fixed assets	2	5,51,84,141	4,77,43,969
		5,51,84,141	4,77,43,969
CURRENT ASSETS , LOANS & ADVANCES			
(a) Cash & bank balances	3	9,83,46,584	5,37,38,094
(b) Loans and advances		1,18,31,899	58,14,732
		11,01,78,483	5,95,52,827
LESS: CURRENT LIABILITIES & PROVISIONS			
Net current assets	4	1,47,96,252	1,10,97,314
		9,53,82,232	4,84,55,513
TOTAL		15,05,66,373	9,61,99,481

For Significant accounting policies and notes to accounts: Refer Schedule 16
 As per our report of even date

For S.R. Batliboi & Co. LLP
 Chartered Accountants
 Firms registration number: 301003E/E300005

Anil Gupta

per Anil Gupta
 Partner
 Membership No. 87921

Place: New Delhi
 Date:

23/9/2019



For and on behalf of the Board of
 Pardada Pardadi Educational Society

[Signature]
 Trustee

[Signature]
 Trustee

PARDADA PARDADI EDUCATIONAL SOCIETY
 Malakpur Road Anupshahr, District Bulandshahr (U.P.)
Schedules forming the part of Balance Sheet as at and for the year ended March 31, 2019

PARTICULARS	As at March 31, 2019	Amount (Rs.) As at March 31, 2018
01. RESTRICTED FUND		
A. CORPUS		
Opening balance	7,77,73,604	6,80,62,600
Add: Corpus fund received during the year	1,97,36,327	97,11,004
Add : Shri Rajendra Sharma Endowment Fund	50,00,000	-
	10,25,09,931	7,77,73,604
B. CAPITAL		
Opening balance	-	-
Capital fund received during the year	1,59,17,823	-
	11,84,27,754	7,77,73,604
01(a). GENERAL FUND		
Opening balance	1,84,25,877	69,60,545
Add: Excess of income over expenditure during the year	1,37,12,742	1,14,65,332
	3,21,38,619	1,84,25,877



03. (a) CASH & BANK BALANCES

Cash in hand		
Balance with Banks	3,69,341	7,06,208
Non-FCRA	1,62,94,226	1,15,72,229
FCRA	2,93,50,927	74,53,054
	<u>4,60,14,494</u>	<u>1,97,31,490</u>
Fixed deposits		
Fixed deposits towards Scholarship payable (specifically applied towards scholarship payable)	97,67,867	86,10,703
Fixed deposits for Corpus	3,18,86,206	2,47,92,955
Fixed deposits for PPES General fund * (*including fixed deposits of Rs. 77,344 (previous year Rs 77,344) given as security deposits to UP Affiliation Board)	1,06,78,017	6,02,946
	<u>5,23,32,090</u>	<u>3,40,06,604</u>
	<u>9,83,46,584</u>	<u>5,37,38,094</u>

**03. (b) LOANS AND ADVANCES
(unsecured and considered good)**

Capital advances	2,00,000	-
Receivables	53,96,329	21,83,838
TDS / TCS Refundable	13,61,449	9,29,214
Security deposits	1,05,000	1,05,000
Interest accrued on fixed deposits	46,58,463	24,66,300
Advances to employees	4,870	21,566
Prepaid expenses	1,05,788	1,08,814
	<u>1,18,31,899</u>	<u>58,14,732</u>

04. CURRENT LIABILITIES & PROVISIONS

Current liabilities		
Expenses payable	11,62,122	18,18,168
Capital goods creditors	3,04,920	1,14,000
Salary payable	97,208	82,928
Security payable	1,04,501	5,85,750
PF payable	1,49,318	-
TDS payable	2,08,292	56,835
Rang De Foundation	-	31,485
Scholarship payable	1,03,30,774	84,08,148
Provisions		
Provision for gratuity	24,39,117	-
	<u>1,47,96,252</u>	<u>1,10,97,314</u>



S. R. Bhatnagar
A. S. Sankar
 Pardada Paradi
 Educational Society

PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road Anupshahr, District Bulandshahr (U.P.)
SCHEDULE 02 : FIXED ASSETS AS AT 31.03.2019

Particulars	Rate of Depreciation	Opening Net Block as at 01.04.2018	Additions		Sale / Discard of FA During the Year	Total as at 31.03.2019	Depreciation for the year	Closing Net Block as at 31.03.2019
			> 180 days	<= 180 days				
Buildings	10%	3,54,14,104	6,22,139	15,40,819	-	3,75,77,062	36,80,665	3,38,96,397
Building work in progress	0%	-	-	41,79,223	-	41,79,223	-	41,79,223
Freehold Land	0%	1,31,940	-	-	-	1,31,940	-	1,31,940
Leasehold land (refer note 2 below)	0%	43,49,000	-	-	-	43,49,000	-	43,49,000
Vehicles	15%	52,99,202	1,45,133	37,28,773	6,20,000	85,53,108	10,03,308	75,49,800
Furniture and fittings	10%	9,19,022	4,21,379	4,92,146	-	18,32,547	1,58,647	16,73,900
Tubewells	10%	96,931	-	-	-	96,931	9,694	87,237
Electrical equipments	15%	5,58,256	-	3,85,640	14,112	9,29,784	1,10,546	8,19,238
Computers and softwares	40%	2,98,588	65,650	2,16,654	-	5,80,892	1,89,026	3,91,866
Website	25%	91,150	38,650	-	-	1,29,800	32,450	97,350
Vocational machines & equipments	15%	-	11,18,249	-	-	11,18,249	1,67,737	9,50,512
Office equipments	15%	5,50,052	3,61,142	2,82,954	-	11,94,148	1,57,903	10,36,245
Energy saving devices	40%	35,724	-	-	-	35,724	14,291	21,433
TOTAL		4,77,43,969	27,72,342	1,08,26,209	6,34,112	6,07,08,408	55,24,267	5,51,84,141

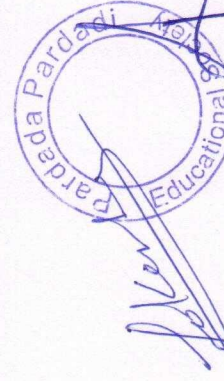
Notes:

The Society had received donations except as stated in Note 2 below, during the earlier years, in kind of fixed assets, details of which are as follows:-

Particulars	Opening Balance as at 01.04.2018	Depreciation for the year	Closing Balance as at 31.03.2019
Buildings	17,89,262	1,78,926	16,10,336
Electrical equipments	1,48,558	22,284	1,26,274
Furniture and fittings	1,70,897	17,090	1,53,807
Vocational machines and equipment	2,08,918	31,338	1,77,580
	23,17,635	2,49,637	20,67,997

The Society has taken leasehold land at Anupshahr (Uttar Pradesh) having value of Rs. 4,349,000 on a lease of 29 years from the founder president and the lease is further renewable after expiry of the lease period. The Society has constructed school campus on the said land. The said amount has been credited to corpus fund in an earlier year. The said leasehold land is not amortised as per consistent accounting policy followed.

The Society has constructed school campus at Bichola, Uttar Pradesh on a leasehold land taken from Gram Panchayat for 29 years. Such leasehold land is not recorded in the books of accounts. The Society has, during the current year, received some old furniture from donor which is being used. The valuation of the old furniture is not available.



PARDADA PARDADI EDUCATIONAL SOCIETY
 Malakpur Road Anupshahr, District Bulandshahr (U.P.)
Income and Expenditure Account for the year ended 31.03.2019

PARTICULARS	SCHEDULE	For the year ended March 31, 2019	Amount (Rs.)	
			For the year ended March 31, 2018	
<u>INCOME</u>				
Donations received	5 (a)	5,62,14,120		4,98,60,302
Other income	5 (b)	45,66,170		27,21,815
		6,07,80,290		5,25,82,117
<u>EXPENDITURE</u>				
Educational & school operational expenses	6	2,40,11,013	51%	1,78,12,188
Higher education & scholarship expenses	7	24,33,232	5%	18,74,827
Fundraising office expenses	8	37,58,877	8%	42,63,303
Admin office expenses	9	63,66,768	14%	52,82,419
Self help group project expenses	10	14,81,587	3%	42,50,043
Health project expenses	11	15,14,607	3%	14,72,233
Madargate development project expenses	12	3,36,256	1%	3,02,432
Teachers & volunteers quarter expenses	13	11,52,541	2%	7,74,967
Vocational trainings	14	4,08,400	1%	-
Donation paid	15	80,000	0%	-
Depreciation charge	2	55,24,267	12%	50,84,373
		4,70,67,548		4,11,16,785
Excess of income over expenditure for the year		1,37,12,742		1,14,65,332

For significant accounting policies and notes to accounts: Refer Schedule 16
 As per our report of even date

For S.R. Batliboi & Co. LLP
 Chartered Accountants
 Firms registration number: 301003E/E300005

per Anil Gupta
 Partner
 Membership No. 87921

Place: New Delhi
 Date:

23/9/2019



For and on behalf of the Board of
 Pardada Pardadi Educational Society

[Signature]
 Trustee

[Signature]
 Trustee



PARDADA PARDADI EDUCATIONAL SOCIETY

Malakpur Road Anupshahr, District Bulandshahr (U.P.)

Schedule forming part of income & expenditure account for the year ended March 31, 2019

PARTICULARS	For the year ended March 31, 2019	Amount (Rs.)
		For the year ended March 31, 2018
6(a) Donations received during the year	5,62,14,120	4,98,60,302
	5,62,14,120	4,98,60,302
6(b) Other Income		
Interest from banks on fixed deposits	28,10,194	17,05,270
Interest from banks on savings bank accounts	15,94,371	8,47,265
Foreign exchange fluctuations gain (net)	11,949	31,104
Miscellaneous income	1,49,656	1,38,176
	45,66,170	27,21,815
TOTAL	6,07,80,290	5,25,82,117
EXPENDITURE		
06. Educational & school operational expenses		
Stipend & salaries expense (including contribution to provident fund)	91,08,378	76,91,217
Gratuity expense	24,39,117	-
Employee awards	1,59,644	1,10,496
Transport and travelling expense	41,73,989	33,38,692
Food expense	25,63,932	25,74,924
Books & stationery expense	11,41,052	6,44,920
Electricity & water expense	13,11,805	9,44,209
Educational tours, functions & development visits expense	4,39,421	2,49,379
Uniform expense	11,48,077	8,38,000
Building repair & maintenance expense	4,76,119	4,89,270
Learning level assessment	-	1,17,930
Personality development	33,618	99,814
Sports expense	4,93,775	3,62,996
Telephone & internet expense	1,28,305	1,69,998
Teachers training expense	2,68,256	79,240
Health & hygiene expense	86,546	76,888
Computer software and repair & maintenance expense	37,979	23,215
Lease rent expense	1,000	1,000
	2,40,11,013	1,78,12,188
07. Higher education & scholarship expenses		
Scholarship on PPIC students attendance expense	21,67,594	15,42,346
Higher education expense	15,702	3,32,481
Stipend & salaries (including contribution to provident fund)	2,49,936	-
	24,33,232	18,74,827
08. Fundraising office expenses		
Stipend & salaries expense (including contribution to provident fund)	17,19,335	16,88,849
Fundraising events & trainings	1,92,511	71,000
Promotional material	5,14,553	3,20,574
Office rent expense	-	1,38,908
Travelling & transportation expense	8,02,250	14,09,574
Visitors & volunteers expense	3,63,160	2,92,028
Telephone & internet expense	-	87,993
Office stationery and postage expense	1,67,068	1,61,891
Staff welfare expense	-	69,856
Electricity & water expense	-	22,630
	37,58,877	42,63,303



9. Admin Office Expenses

Stipend & salaries expense (including contribution to provident fund)	46,56,241	43,06,597
Office repair & maintenance	39,624	33,865
Office rent expense	3,96,000	1,38,908
Telephone & internet expense	61,473	92,939
Office stationery and postage expense	1,79,879	82,333
Accounting & legal expense	6,24,129	3,96,745
Audit fee expenses	-	54,000
Staff welfare expense	1,68,449	50,326
Computer software, repair & maintenance expense	1,02,123	24,734
Electricity & water expense	81,320	22,629
Miscellaneous expense	57,530	79,343
	<u>63,66,768</u>	<u>52,82,419</u>

10. Self help group project expenses

Stipend & salaries expense (including contribution to provident fund)	8,84,369	25,30,026
Events, exposure visits & travel expense	4,68,870	14,35,321
Stationery & printing material expense	6,611	30,619
Telephone & internet expense	58,717	1,50,730
Rent	3,000	27,000
Electricity & water expense	11,753	24,845
Miscellaneous expense	150	17,777
Community health program	27,752	-
Rags to pad expensne	20,365	3,350
Solar Project of Bachikhera	-	30,375
	<u>14,81,587</u>	<u>42,50,043</u>

11. Health project expenses

Stipend & salaries expense (including contribution to provident fund)	6,72,308	6,78,534
Fees paid to doctors	3,38,750	3,40,450
Travelling & transportation expense	3,74,896	3,23,355
Telephone & internet	45,511	79,699
Printing & stationery	510	3,210
Electricity & water expense	28,326	22,070
Medicine & medical events expense	38,844	12,502
Repair and maintenance expense	-	10,413
Miscellaneous expense	15,462	2,000
	<u>15,14,607</u>	<u>14,72,233</u>



Soken

12. Madaar gate development project expenses

Stipend & salaries expense (including contribution to provident fund)	2,38,806	2,40,478
Travel & transportation	38,113	20,961
Cleaning materials	966	8,430
Repair & maintenance	52,377	730
Electricity expense	5,994	31,833
	<u>3,36,256</u>	<u>3,02,432</u>

13. Teachers & volunteers quarter expense

Stipend expense (including contribution to provident fund)	3,21,111	2,08,325
Food expense	3,28,082	2,79,800
Repair & maintenance expense	2,40,898	58,502
Electricity, water expense & internet expense	2,49,993	2,14,348
Miscellaneous expense	12,457	13,992
	<u>11,52,541</u>	<u>7,74,967</u>

14. Vocational trainings

Training & development	4,08,400	-
	<u>4,08,400</u>	<u>-</u>

15. Donation paid

Donation paid	80,000	-
	<u>80,000</u>	<u>-</u>

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text "Pardada Pardada Educational Society" around its perimeter.

PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

Schedule – 16

Significant accounting policies and notes to accounts

Organization and Nature of Operations

The Pardada Pardadi Educational Society ('Society') (PPES) is a charitable organization registered under Section 12AA of the Income Tax Act, 1961.

Founded in the year 2000, PPES has been working for holistic rural development through social and economic empowerment of women and girls in Western Uttar Pradesh. PPES provides free Educational, job opportunities, healthcare and livelihood enhancement for girls and women from the marginalized sections of society and enables them to break out of the cycle of poverty. PPES runs two schools, one in Aunpshahr and another in Bichola.

(A) Significant accounting policies

1. Basis of preparation

The financial statements of the Society are prepared under the historical cost convention and on accrual basis of accounting in accordance with the generally accepted accounting principles in India. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy as explained below:

(a) Change in Accounting Policy

Till the year ended March 31, 2018, the Society was not accounting for gratuity liability. From the current year, the Society has provided for gratuity liability based on an actuarial valuation on projected unit credit method carried out by Life Insurance Corporation of India (LIC). Had the Society continued to follow the earlier basis of accounting of gratuity liability, the gratuity expense for the year would have been lower by Rs.24,39,117 and surplus would have been higher by Rs. 24,39,117 and provision for gratuity would have been lower by Rs. 24,39,117.

2. Funds

The Society reports funds as restricted if they are received with donor stipulations that limit the use of the grants. Designated funds are funds set aside by the Society for specific purposes or received from donors without any stipulations as to the usage of the same.

3. Fixed assets and depreciation

Fixed assets

Fixed assets are stated at cost. Cost comprises the purchase price and any attributable costs of bringing the assets to their working condition for their intended use. Assets received as donation in kind are not recorded in financial statements since the acquisition does not involve any cash outlay. However, the Society had recorded a leasehold land taken on a lease of 29 years from the founder president at Anupshahr.

The Society, on disposal on a fixed asset, deducts the sales consideration amount from the block of assets as per Income tax Act, 1961.

Depreciation

Depreciation on fixed assets is provided on written down value (WDV) at the rates prescribed under the Income Tax Act, 1961. Full year depreciation is charged on those assets which are being put to use for more than 180 days and half year depreciation is charged on assets put to use for less than 180 days.



[Handwritten signature]
Pardada Pardadi Educational Society

PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

Leasehold land is not amortized as per Income Tax Act, 1961.

Following rates of depreciation are used by the Society:

S. No.	Asset category	Rate of depreciation
1.	Buildings	10%
2.	Vehicles	15%
3.	Furniture and fittings	10%
4.	Tube wells	10%
5.	Electrical equipments	15%
6.	Computers and software	40%
7.	Website	25%
8.	Vocational machines & equipments	15%
9.	Office equipments	15%
10.	Energy saving devices	40%

4. Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Society and the revenue can be reliably measured.

i) Donation

Donation is recognized on the basis of collections received at various counters or places, donated by various organizations and donors.

ii) Interest Income

Interest income is recognized on a time proportion basis taking into account amount outstanding and the rate applicable.

5. Employee Benefits

i) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Society has no obligation, other than the contribution payable to the provident fund. The Society recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

ii) Gratuity

Gratuity liability under the Payment of Gratuity Act is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method carried out by an independent actuary at the end of each financial year. Actuarial gains and losses for defined benefit plan are recognized in full in the period in which they occur in the income and expenditure account.

6. Contingent liabilities and provisions

A provision is recognized when the Society has present obligation as a result of past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimate required



Sokeny
gumber

PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

to settle the obligation at each Balance Sheet date. These are renewed at each Balance sheet date and are adjusted to reflect the current best management estimates.

B. NOTES TO THE FINANCIAL STATEMENTS

1. Fund accounting

In order to ensure observance of the limitations and restrictions placed on the use of resources available to the Society, all resources are classified for accounting and reporting purposes into funds that are maintained in accordance with the activities or objectives specified by donors, granting agencies, governmental appropriations and other sources or regulations. These funds primarily comprise:

Capital funds:

The Society reports funds as capital funds if they are received with donor stipulations that limit the use of the funds for capital purpose. These funds are subject to certain conditions set out by the contributor and agreed to by the Society, while accepting the contributions. The restriction may apply to use of the funds received or income earned from the investment of such funds or both.

Corpus Funds

The Society reports endowment funds as corpus funds if they are received with donor stipulations that limit the use of the funds for corpus purpose.

General fund

These are unrestricted funds which have been set aside by the management of the Society for specific purposes or to meet future requirements.

2. The Society is registered under Section 12AA of the Income tax Act, 1961 ('Act') and whole income is exempt under Section 11 of the Act.

3. Employee Benefits has been calculated as under:

A. Defined Contribution Plans

Provident Fund

During the year, the Society has contributed following amount to:

Particulars	(Amount in Rs)	
	March 31, 2019	March 31, 2018
Employer's Contribution to Provident Fund	8,16,357	5,15,710

B. Defined Benefit Plans

Gratuity

The Society operates gratuity plan, which is a defined benefit plan, for its employees. Under the gratuity plan, every employee who has completed at-least five years of service gets gratuity on departure @ 15 days of last drawn salary for each completed year of service or part thereof in excess of six months. The gratuity plan of the Society is not funded.



Soken
[Signature]
Pardada Pardadi
Educational Society

PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

In accordance with Accounting Standard-15 ('AS 15 (R)') - "Employee Benefits (Revised 2005)", an actuarial valuation has been carried out in respect of gratuity. The retirement age has been considered at 60 years and mortality rate is as per LIC (2006-08) Ultimate.

The following table summarizes the components of net benefit expense recognized in the Income and expenditure account:

Changes in the present value of the defined benefit obligation are as follows:

(Amount in Rs.)

Particulars	Gratuity	
	2018-19	2017-18
Opening defined benefit obligation	-	-
Interest cost	-	-
Current service cost	3,49,941	-
Past service cost	20,89,176	-
Benefits paid	-	-
Actuarial (gain)/loss on obligation	-	-
Present value of obligation at the end of the year	24,39,117	-

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

(Amount in Rs.)

Particulars	Gratuity	
	2018-19	2017-18
Present value of obligation at the end of the year	24,39,117	-
Fair value of plan assets at year end	-	-
Liabilities recognized in the balance sheet	-	-

Income and Expenditure account

Net employee benefit expense

(Amount in Rs.)

Particulars	Gratuity	
	2018-19	2017-18
Current service cost	3,49,941	-
Past Service Cost	20,89,176	-
Interest cost on benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognized in the year	-	-
Net expense recognized in the Income and Expenditure account	24,39,117	-

The Society expects to pay Rs. 24,29,117 during next year.



Handwritten signature and circular stamp of Pardada Pardadi Educational Society.

PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

The principle assumptions used in determining gratuity obligation for the Society are shown below: -

Particulars	2018-19 (%)	2017-18 (%)
Discount Rate	7.50	-
Future Salary Increase	6.00	-

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amount for the current year is as follows:

Particulars	31-Mar-19*
Defined benefit obligation	24,39,117
Plan assets	-
Surplus / (deficit)	-
Experience adjustments on plan liabilities	-
Experience adjustments on plan assets	-

* Disclosed for the current year only as the Society has carried out actuarial valuation at the end of the current year only.

- The Society had constructed school campus on the land owned by Virender Singh (Founder President). The land was given by him on a 29 years lease to the Society for its school campus. The Society is in the process of formalizing an agreement with Virender Singh for transfer of ownership right of the land.
- Certain expense amounting to Rs 38,90,578 (Previous year Rs. 30,23,334) have been reimbursed to the Society by Bharti Foundation. The same has been netted off from respective expense heads of account.
- During the current year, a donor namely Dr. Kranti Kapila has donated a plot measuring 160 square yards situated at Green fields Residential Colony, Anangpur Road, Faridabad, Haryana to the Society. The developer of the colony has refused to transfer the plot in name of the Society and can only be transferred in the name of an individual.
The donor vide charitable gift deed dated March 31, 2019 has transferred the said plot in the name of Mrs. Renuka Gupta, CEO of the Society, since the developer was not agreeing for the transfer it in the name other than individual.

The board members, had in its meeting held on 6th March 2019, decided that the CEO would sell the plot and will donate the net consideration amount (net of taxes and other deductions) of the said land to the Society.

7. Contingent Liabilities

There are numerous interpretative issues relating to the Supreme Court (SC) judgment on PF dated 28th February, 2019. As a matter of caution, the Society has prospectively changed the PF policy. The same shall be updated, if required on receiving further clarity on the subject.



[Handwritten signature]
Pardada Pardadi Educational Society

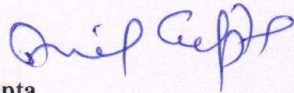
PARDADA PARDADI EDUCATIONAL SOCIETY

Malkpur Road Anupshahr, District Bulandshahr (U.P.)

8. The Society is in the process of preparing proper records showing full particulars, including quantitative details and situation of fixed assets and the Society is in the process of conducting physical verification of its fixed assets. However, in the opinion of the management, there would not be material variations of the fixed assets between book records and physical counts.
9. The figures of previous year were audited by Rajesh Seema & Associates, Chartered Accountants. Opening figures have been taken as per the figures audited by them and relied upon by the current statutory auditors.
10. Previous year's figures have been regrouped/re-arranged wherever considered necessary to conform to current year's classification.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration No.- 301003E/E300005



Per Anil Gupta
Partner
Membership No. 87921

Place: New Delhi

Date: 23/9/2018



For and on behalf of the Board of
Pardada Pardadi Educational Society



Trustee

