

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, 2023 which comprise the Balance sheet as at March 31, 2023 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, 2023; and
- (b) In the case of the Income & Expenditure Account of the excess of income over expenditure for the year ended on March 31, 2023.

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

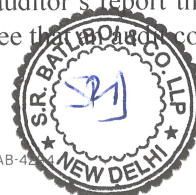
The Management is responsible with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance 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.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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 the audit conducted in



S.R. BATLIBOI & Co. LLP

Chartered Accountants

accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.
- 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 Society'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 Society to cease to continue as a going concern.
- 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

Per Anil Gupta

Partner

Membership No. 87921

UDIN: 23087921BGXAWV4160

Place of Signature: New Delhi

Date: October 31, 2023



Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Balance Sheet as at March 31, 2023

Amount (Rs.)

PARTICULARS	Schedule	As at March 31, 2023	As at March 31, 2022
SOURCES OF FUNDS			
Restricted fund	1	12,29,98,688	12,29,98,688
General fund	1	8,69,00,972	6,56,81,999
Total		20,98,99,660	18,86,80,687
APPLICATION OF FUNDS (A)			
Fixed assets	2	4,82,17,801	4,84,28,029
CURRENT ASSETS			
Cash and bank balances	3	16,33,42,202	16,20,78,837
Other current assets and loans & advances	4	4,38,73,936	3,15,49,861
Total		20,72,16,138	19,36,28,697
LESS: CURRENT LIABILITIES AND PROVISIONS (B)			
Other Current Liabilities and Provisions	5	4,55,34,278	5,33,76,039
Total		4,55,34,278	5,33,76,039
NET CURRENT ASSETS (A-B)		16,16,81,859	14,02,52,658
Total		20,98,99,660	18,86,80,687

For Significant accounting policies and notes to accounts: Refer Schedule 19
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: October 31, 2023

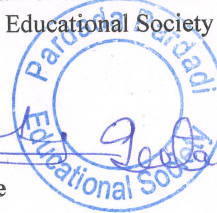


For and on behalf of the Board of
Pardada Pardadi Educational Society

Lokesh Gupta *Immergy*

Trustee

Trustee



Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Income & Expenditure Account for the year ended March 31, 2023

Amount (Rs.)

PARTICULARS	Schedule	For the year ended March 31, 2023	For the year ended March 31, 2022
<u>INCOME</u>			
Donations received	6	9,62,53,531	7,03,47,700
Other income	7	1,49,99,599	1,04,01,337
Total		11,12,53,130	8,07,49,037
<u>EXPENDITURE</u>			
Programme Expenditure			
Educational & school operational expenses	8	6,02,14,630	3,62,08,808
Higher education & scholarship expenses	9	13,04,411	48,90,055
Self help group project expenses	10	28,56,093	49,08,486
Health project expenses	11	53,90,625	32,89,471
Madargate development project expenses	12	1,24,608	1,84,162
Teachers & volunteers quarter expenses	13	10,56,482	7,27,379
Vocational trainings	14	-	1,55,754
Donation paid	15	-	25,000
Covid-19 Relief Expenses	16	-	5,00,175
Administrative Expenditure			
Admin office expenses	17	80,62,995	92,51,231
Fundraising office expenses	18	49,00,841	37,21,828
Depreciation expense		61,23,472	57,49,571
Total		9,00,34,156	6,96,11,920
Excess of Income over Expenditure transferred to General Fund		2,12,18,973	1,11,37,117

For Significant accounting policies and notes to accounts: Refer Schedule 19
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: October 31, 2023



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

Lokesh Kumar
Trustee

Shree Anand
Trustee

Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Balance Sheet as at March 31, 2023

Schedule - 1

A - Restricted fund

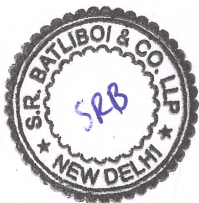
Amount (Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
(a) Corpus fund		
Opening balance	11,79,98,688	11,79,81,668
Add: Corpus fund received during the year	-	17,020
	11,79,98,688	11,79,98,688
(b) Corpus fund - Endowment fund		
Opening balance	50,00,000	50,00,000
TOTAL	12,29,98,688	12,29,98,688
(c) Capital fund		
Opening balance	-	-
Add: Capital fund received during the year	2,50,31,012	2,13,60,854
Less: Utilised for purchase of fixed assets-Buildings	(2,05,11,090)	(89,46,372)
Less: To be utilised for purchase of fixed assets	(45,19,922)	(1,24,14,482)
TOTAL	-	-
TOTAL	12,29,98,688	12,29,98,688

B - General Fund

Amount (Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Opening balance	6,56,81,999	5,45,44,882
Add: Excess of Income over expenditure	2,12,18,973	1,11,37,117
TOTAL	8,69,00,972	6,56,81,999



Lokesh Chandra
 Pardada Pardadi Educational Society

Schedules forming part of Balance Sheet as at March 31, 2023

Schedule - 2

Fixed Assets including Capital work in progress

Amount (Rs.)

Particulars	Opening net block as at April 01, 2022	Additions		Sales / discard / Adjustments during the year	Capital donation received*	Total as at March 31, 2023	Rates	Depreciation for the year	Closing net block as at March 31, 2023
		> 180 days	<= 180 days						
Building	2,40,35,482	1,16,89,824	21,93,988	-	1,38,83,812	2,40,35,482	10%	24,03,548	2,16,31,934
Building WIP	-	20,80,101	1,68,35,673	-	1,89,15,774	-	-	-	-
Freehold Land	1,31,940	-	-	-	-	1,31,940	0%	-	1,31,940
Leasehold Land	43,49,000	-	-	-	-	43,49,000	0%	-	43,49,000
Computers & Softwares	4,15,008	-	12,55,049	-	1,33,480	15,36,577	40%	3,90,317	11,46,260
Electricals Equipments	31,49,427	3,10,195	32,43,757	17,195	-	66,86,184	15%	7,59,646	59,26,538
Energy Saving Device	2,67,614	1,74,800	-	-	-	4,42,414	40%	1,76,966	2,65,448
Furniture & Fittings	27,56,093	14,569	2,42,504	-	-	30,13,166	10%	2,89,191	27,23,975
Office Equipments	53,34,842	5,28,367	2,68,178	-	-	61,31,387	15%	8,99,595	52,31,792
Vehicles	72,90,087	26,500	-	-	-	73,16,587	15%	10,97,488	62,19,099
Website	51,207	-	-	-	-	51,207	25%	12,802	38,405
Vocational Machines and Equipments	5,83,733	-	-	-	-	5,83,733	15%	87,560	4,96,173
Tubewell	63,596	-	-	-	-	63,596	10%	6,360	57,236
Total	4,84,28,029	1,48,24,356	2,40,39,149	17,195	3,29,33,066	5,43,41,273		61,23,472	4,82,17,801

* includes donation of Rs. 12,421,976 (previous year: Rs. 32,82,997) received during earlier years, now adjusted with the value of fixed assets amount against which such donations were received.

Notes:

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

Particulars	Opening Balance as at 01.04.2022	Depreciation for the year	Closing Balance as at 31.03.2023
Buildings	11,73,935	1,17,393	10,56,541
Electrical equipment	77,548	11,632	65,916
Furniture and fittings	1,12,126	11,213	1,00,913
Vocational machines and equipment	1,09,056	16,358	92,698
	14,72,665	1,56,597	13,16,068

2) The Society has taken leasehold land at Anupshahr (Uttar Pradesh) having value of Rs. 43,49,000 on a lease of 30 years (renewed on November 08, 2016) 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.

3) 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.

4) The Society had, during the earlier year, received some old furniture from donor which are being used. The valuation of said old furniture is not available.

5) Gain/Loss on sale of fixed assets has not been computed separately as per accounting policy consistently followed.



Lokesh
Pardada Pardadi Educational Society

Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Balance Sheet as at March 31, 2023

Schedule - 3

Cash and bank balances

Amount (Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Cash in hand	1,32,272	1,25,111
Balance with Banks		
FCRA	1,04,95,217	2,90,26,265
Non-FCRA	1,41,38,843	60,90,395
	2,47,66,332	3,52,41,771
Fixed deposits		
Fixed deposits towards Scholarship payable (specifically applied towards scholarship payable)	2,27,23,245	1,86,99,904
Fixed deposits for Corpus	7,31,85,887	7,30,92,476
Fixed deposits for PPES General fund *	4,26,66,738	3,50,44,686
(*including fixed deposits of Rs. 77,344 (previous year Rs. 77,344) given as security deposits to UP Affiliation Board)		
	13,85,75,870	12,68,37,066
Total	16,33,42,202	16,20,78,837



Signature
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Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Balance Sheet as at March 31, 2023
Schedule - 4

Other current assets and loans & advances

Amount (Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Other current assets and loans & advances		
(unsecured and considered good)		
Capital advances	8,84,837	32,500
Receivables (refer Note 8 to Schedule 19)	2,52,08,103	1,95,41,972
Advances to vendors	10,13,677	79,766
TDS / TCS refundable	36,61,198	27,18,539
Security deposits	70,000	2,20,000
Interest accrued on fixed deposits	1,11,85,754	63,78,902
Advances to employees	15,000	2,04,392
Gratuity Fund	6,98,530	7,07,311
Prepaid expenses	11,36,837	16,66,479
	4,38,73,936	3,15,49,861



Pardada Pardadi Educational Society

Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Balance Sheet as at March 31, 2023

Schedule - 5

Other Current Liabilities and Provisions

Amount (Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Current liabilities		
Expenses payable	1,16,560	4,91,574
Staff Imprest	26,834	1,94,696
Security Deposit payable	-	1,02,000
PF payable	3,96,264	2,58,663
ESIC payable	62,244	43,999
TDS payable	1,94,687	69,296
Scholarship payable (refer Note 9 to Schedule 19)	2,05,06,402	2,00,82,471
Capital fund pending to be utilised	2,42,31,287	3,21,33,341
	4,55,34,278	5,33,76,040

* Movement of capital fund pending to be utilised is as under:

Opening balance	3,21,33,341	2,30,01,856
Add: Transfer from capital fund	45,19,922	1,24,14,482
Less: Utilised for purchase of fixed assets	(1,24,21,976)	(32,82,997)
Closing Balance	2,42,31,287	3,21,33,341



Lokesh Kumar
 Pardada Pardadi Educational Society

Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Income and Expenditure Account for the year ended March 31, 2023

Schedule - 6

Donations received

Amount (Rs.)

PARTICULARS	For the year ended March	For the year ended March
	31, 2023	31, 2022
Donation received	9,62,53,531	7,03,47,700
TOTAL	9,62,53,531	7,03,47,700

Schedule - 7

Other income

Amount (Rs.)

PARTICULARS	For the year ended March	For the year ended March
	31, 2023	31, 2022
Interest from banks on savings bank accounts	12,96,144	14,35,561
Interest from banks on fixed deposits	80,76,291	84,34,003
Interest on income tax refunds	57,551	84,863
Income for Harvesting	-	2,57,734
Miscellaneous Income	55,69,613	1,89,176
TOTAL	1,49,99,599	1,04,01,337



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Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Income and Expenditure Account for the year ended March 31, 2023

Programme Expenditure

Amount (Rs.)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Schedule - 8		
Educational & School Operational Expenses		
Employee Benefit Expenses (including contribution to provident fund)	2,53,73,021	1,85,20,574
Gratuity expense	15,59,519	4,00,905
Employee awards	-	4,87,339
Uniform Expenses	30,58,535	22,15,116
Food Expenses	82,35,952	36,07,299
Books & Stationery	13,58,479	13,02,375
Electricity & Water Expenses	12,47,740	15,25,557
Telephone & Internet Expenses	3,59,261	2,98,770
Repairs & Maintenance - Vehicle, Building & Computer	27,66,031	12,50,669
Transport & Travelling Expenses	1,04,41,583	48,40,343
Education Transformation Expenses	12,06,000	10,93,764
Educational Tour, Function & Development Expenses	31,63,765	3,88,436
Sports Expenses	9,88,944	1,43,532
Health & Hygiene Expenses	2,75,800	1,33,129
Website Students	1,80,000	-
Lease Rent Expenses	-	1,000
	6,02,14,630	3,62,08,808
Schedule - 9		
Higher Education & Scholarship Expenses		
Salaries & Stipend Expenses	3,61,311	3,25,490
Scholarship on PPIC Students Attendance Expenses (refer Note 9 to Schedule 19)	6,96,109	44,61,117
Higher Education Expenses	2,46,991	1,03,448
	13,04,411	48,90,055
Schedule - 10		
Self Help Group Project Expenses		
Salaries & Stipend Expenses	8,54,696	8,91,460
Printing & Stationery	3,552	10,334
Events, Exposure Visits & Travel Expenses	8,78,872	7,92,061
Repair & Maintenance Office	84,714	1,380
Community Program Cost	10,32,439	32,04,880
Telephone & Internet Expenses	1,820	8,371
	28,56,093	49,08,486



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Pardada Pardadi Educational Society

Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Income and Expenditure Account for the year ended March 31, 2023

Programme Expenditure		Amount (Rs.)	
PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022	
Schedule - 11			
Health Project Expenses			
Salaries & Stipend Expenses	6,74,945	5,52,473	
Consultancy fee to Doctors/Nurses	18,38,592	6,63,106	
Medicine & Medical Event Expenses	1,72,881	1,64,013	
Vaccination Expenses	15,15,900	5,36,250	
Travelling & Transportation Expenses	86,624	94,053	
Telephone & Internet Expenses	2,860	13,674	
Repair & Maintenance	94,651	60,000	
Medical Health Van Operational expense	10,04,172	12,05,902	
	53,90,625	32,89,471	
Schedule - 12			
Madaar Gate Development Project Expenses			
Salaries & Stipend Expenses	88,519	1,49,260	
Cleaning Material	4,845	3,249	
Repair & Maintenance	24,248	24,390	
Electricity & Water Expenses	6,996	7,263	
	1,24,608	1,84,162	
Schedule - 13			
Teachers & Volunteers Quarter Expenses			
Salaries & Stipend Expenses	4,44,790	4,07,246	
Electricity & Water Expenses	39,534	34,746	
Food Expenses	5,25,828	2,59,135	
Repair & Maintenance	46,330	26,252	
	10,56,482	7,27,379	
Schedule - 14			
Vocational Trainings			
Training & development	-	1,55,754	
	-	1,55,754	
Schedule - 15			
Donation Paid			
Donation paid	-	25,000	
	-	25,000	
Schedule - 16			
Covid-19 Relief Expenses			
Covid-19 Relief Expenses	-	5,00,175	
	-	5,00,175	



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Pardada Pardadi Educational Society
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedules forming part of Income and Expenditure Account for the year ended March 31, 2023

Administrative Expenditure

Amount (Rs.)

PARTICULARS	For the year ended March 31, 2023	For the year ended March 31, 2022
Schedule - 17		
Admin Office Expenses		
Salaries & Stipend Expenses	17,69,462	73,22,077
Accounting & Legal Expenses	48,34,426	9,24,760
Office Rent	4,46,776	4,36,584
Telephone & Internet Expenses	24,089	52,341
Electricity & Water Expenses	1,30,430	96,500
Repair & Maintenance-Office and Computer	2,56,686	1,77,429
Office Stationery & Postage Expenses	2,43,401	55,198
Staff Welfare Expenses	1,18,192	1,79,852
Bank Charges Expenses	45,303	6,490
Recruitment Charges	1,48,826	-
Website Maintenance Expenses	45,404	-
Lease Rent Expenses	-	-
	80,62,995	92,51,231
Schedule - 18		
Fundraising Office Expenses		
Salaries & Stipend Expenses	17,82,251	12,06,565
Fundrasing Event & Training	11,23,012	7,35,155
Travelling & Transportation Expenses	9,86,557	8,13,778
Visitors & Volunteers Expenses	6,43,366	7,14,619
Office Stationery & Postage Expenses	2,61,462	89,848
Promotional Material Expenses	1,04,193	1,61,863
	49,00,841	37,21,828



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PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Schedule – 19

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 Anupshahr 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.

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 with stipulations as to the usage of the same.

When the funds relate to an asset, the Society reduces the carrying amount of the asset and it lead to a lower depreciation charge in the income and expenditure account. Any amount received in excess of the cost of asset is transferred to general donation account and is recognised as income.

When the funds relate to an expense item, it is recognised as income.

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 except as disclosed in note number 1 & 2 of Schedule 2.

The Society, on disposal on a fixed asset, deducts the entire 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 Rules, 1962. 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.

Leasehold land is not amortized.

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.	Tubewells	10%



PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

5.	Electrical Equipments	15%
6.	Computers and softwares	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. The scheme is funded with Life Corporation of India in the form of a qualifying insurance policy.

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

7. Government grants

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Society will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the income and expenditure account over the periods necessary to match them with the related costs, which they are intended to compensate.

B. NOTES TO THE FINANCIAL STATEMENTS



PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

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. The unspent amount out of the said fund is shown as current liability.

Corpus Funds

The Society reports endowment funds and other 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 subject to fulfilment of the prescribed norms. However, Society's gross income during the current financial year and previous financial year exceeded the prescribed norms of expenditure, as per Income Tax Act, 1961. The Society, as per resolution passed by the trustees would utilise the said surplus amount in next five years from the respective year, as prescribed in Income Tax Act, 1961. Hence, no provision for income tax has been made in these accounts.

3. Employee Benefits has been calculated as under:

A. Defined Contribution Plans

Provident Fund

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

(Amount in Rs)		
Particulars	2022 - 2023	2021 - 2022
Employer's Contribution to Provident Fund *	22,06,894	14,86,485

*Net of an amount of Rs. 2,94,488 (previous year: Rs 176,706) received as subsidy under Pradhan Mantri Rojgar Protsahan Yojana and Atmanirbhar Bharat Rojgar Yojna.

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 funded.

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.



PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

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	
	2022 - 2023	2021-2022
Opening defined benefit obligation	46,12,798	41,55,630
Current service cost	18,92,028	12,00,617
Benefits paid	7,15,326	7,43,449
Present value of obligation at the end of the year	57,89,500	46,12,798

Fair Value of Plan Assets:

(Amount in Rs.)

Particulars	Gratuity	
	2022 - 2023	2021-2022
Fair value of plan assets at the beginning of the year	53,20,109	46,02,366
Contributions by employer	14,00,000	11,97,000
Interest	3,32,509	2,63,866
Benefits paid	5,64,588	7,43,123
Fair value of plan assets at year end	64,88,030	53,20,109

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

(Amount in Rs.)

Particulars	Gratuity	
	2022 - 2023	2021-2022
Present value of obligation at the end of the year	57,89,500	46,12,798
Fair value of plan assets at year end	64,88,030	53,20,109
(Assets)/Liabilities recognized in the balance sheet	(6,98,530)	(7,07,311)

Income and Expenditure account

Net employee benefit expense

(Amount in Rs.)

Particulars	Gratuity	
	2022 - 2023	2021-2022
Current service cost	18,92,028	12,00,617
Past Service Cost	-	-
Interest cost on benefit obligation	-	-
Expected return on plan assets	3,32,509	2,63,866
Net actuarial (gain)/loss recognized in the year	-	-
Net expense recognized in the Income and Expenditure account	15,59,519	9,36,751*

* Rs. 4,00,905 and Rs. 5,35,846 is included under Educational & school operational expenses and Admin office expenses respectively.

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

Particulars	2022-23 (%)	2021-22 (%)
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PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

Discount Rate	7.25	7.00
Future Salary Increase	7.00	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 and preceding years are as follows:

Particulars	(Amount in Rs)				
	2022 - 2023	2021-22	2020-21	2019-20	2018-19
Defined benefit obligation	57,89,500	46,12,798	41,55,630	34,27,058	24,39,117
Plan assets	64,88,030	53,20,109	46,02,366	5,00,000	-
(Surplus) / deficit	(6,98,530)	(7,07,311)	(4,46,736)	29,27,058	24,39,117
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

4. The Society had constructed school campus on the land owned by Virender Singh (Founder President). The land was given by him on a 30 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.
5. During the year 2018 - 2019, a donor namely Dr. Kranti Kapila had 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 had 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 had transferred the said plot in the name of Mrs. Renuka Gupta, ex-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.

During the previous year, the ex-CEO had passed away. The Society and the legal heirs of the ex-CEO had entered into a Memorandum of Understanding ('MOU') dated January 28, 2022 that such legal heirs will act as custodians and shall transfer the land in the name of a prospective buyers as and when identified.

During the current year, the said plot was sold by the legal heirs of the ex-CEO and the net realization amount of Rs. 47,00,000 was transferred to the Society which has been disclosed as Other Income.

6. Contingent Liabilities and commitments

- (a) 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.
- (b) The Society has received an assessment order under Section 143(3) of the Income Tax Act, 1961 for the assessment year 2018 - 2019. The assessing officer has disallowed the exemption under Section 11 of the Income Tax Act, 1961 of Rs. 6,22,62,017 and has created a demand of Rs. 2,96,35,478 (including interest). Income tax refunds (including interest) for the assessment years 2018 - 2019 and subsequent years of Rs. 25,04,302 have been adjusted against the said demand amount by the income tax department. The Society has filed an appeal before the Commissioner (Appeals). Based on discussions with the consultants by the Society, the Society believes that it has good merits on the said matter and hence no provision there-against is considered necessary.
- (c) Capital commitment as at balance sheet date is Rs. 7,70,838 (previous year: Nil) (net of capital advances).



PARDADA PARDADI EDUCATIONAL SOCIETY
Malakpur Road, Anupshahr, Bulandshahr, Uttar Pradesh-202390

7. 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.
8. At the year end, a sum of Rs. 2,52,08,103 (previous year: Rs. 1,95,41,972) is outstanding as recoverable from students given for higher studies which includes due amount of Rs. 89,29,950 from these students as at March 31, 2023. Society has determined that the amounts are fully recoverable and therefore have been considered good for recovery.
9. As at the year end, a sum of Rs. 2,05,06,402 (previous year: Rs. 2,00,82,471) is appearing as scholarship payable which is after writing back of scholarship payable to students who have left the school of Rs. 35,84,215.
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: October 31, 2023



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


Trustee



Trustee

Date: October 31, 2023