

INDEPENDENT AUDITOR'S REPORT

To the Members of
Kaivalya Education Foundation

Opinion

We have audited the accompanying financial statements of **Kaivalya Education Foundation** (the "Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its surplus for the year and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, 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 opinion on the financial statements.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors are responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

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

Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, income and expenditure (including other comprehensive income) and changes in equity of Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of The Company 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 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.

In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease activities, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 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.
- 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 Company'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 Company 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.

Materiality is the magnitude of misstatements in the financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work and (ii) To evaluate the effect of an identified misstatements in the financial statements.

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.

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.

Report on Other Legal and Regulatory Requirements

1. The Company is registered under Section 8 of the Companies Act, 2013 and the provisions of Companies (Auditor's Report) Order, 2020 are not applicable to the Company. We are, therefore, not required to report on Paragraph 3 and 4 of Companies (Auditor's Report) Order, 2020.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the statement of Income and Expenditure (including other comprehensive income) and statement of changes in equity, dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
Since the Company is registered under section 8, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons

or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
 - vi. The Company is registered under Section 8 of the Companies Act, 2013, and the provisions of Section 123 of the Companies Act, 2013 are not applicable to the Company.

For Lodha & Co.
Chartered Accountants
Firm Registration No.301051E

R P Baradiya
Partner
Membership No.: 044101
UDIN: 23044101BGTSNW3234

Place : Mumbai
Date : 15.09.2023

KAIVALYA EDUCATION FOUNDATION CIN: U80211MH2008NPL188322 (A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)			
Rs. in Lakhs			
Balance Sheet as at March 31, 2023			
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	172.89	125.52
(b) Intangible Assets	2	46.35	29.61
(c) Financial Assets			
- Other Financial Assets	3	13.05	110.37
(d) Non-Current Tax Assets		2.50	7.98
Total Non-Current Assets		234.79	273.48
Current Assets			
(a) Financial Assets:			
(i) Cash & Cash equivalents	4	1,999.07	2,081.78
(ii) Bank balances other than (i) above	5	230.04	11.03
(iii) Other Financial Assets	6	281.99	86.93
(b) Current Tax Assets		2.49	0.60
(c) Other Current Assets	7	51.81	48.96
Total Current Assets		2,565.40	2,229.31
Total Assets		2,800.19	2,502.79
EQUITY AND LIABILITIES			
Equity			
- Other Equity	8	1,027.06	713.35
Total Equity		1,027.06	713.35
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities:			
- Other financial liabilities	9	206.26	97.28
Total Non-Current Liabilities		206.26	97.28
Current Liabilities			
(a) Financial Liabilities			
- Other financial liabilities	10	153.93	130.59
(b) Other current liabilities	11	1,389.36	1,473.57
(c) Provisions	12	23.57	87.99
Total Current Liabilities		1,566.87	1,692.15
Total Equity & Liabilities		2,800.19	2,502.79
<p>The accompanying notes are an integral part of the Financial Statements</p> <p style="text-align: center;">1-28</p> <p>As per our attached report of even date For Lodha & Co. Chartered Accountants</p>			
<p>For and on behalf of the Board of Directors</p>			
<p>R P Baradiya Partner</p> <p>Place : Mumbai Date : 15.09.2023</p>	<p>Ajay Piramal Director DIN:00028116 Place : Mumbai Date : 15.09.2023</p>	<p>Aditya Natraj Director DIN:02309126 Place : Mumbai Date : 15.09.2023</p>	

KAIVALYA EDUCATION FOUNDATION**CIN: U80211MH2008NPL188322****(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)****Rs. in Lakhs****Statement of Income and Expenditure for the year ended March 31, 2023**

Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
Grants and Donations	13	3,919.70	3,983.84
Other Income	14	88.42	132.30
Total Income		4,008.12	4,116.14
Expenses			
Employee benefit expenses	15	1,593.39	2,091.76
Depreciation and amortisation expense	16	96.63	102.46
Other expenses	17	2,012.36	2,439.77
Total Expenditure		3,702.38	4,633.99
Surplus/(Deficit) for the year		305.73	(517.85)
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss -Remeasurement cost of post employment benefit		7.97	92.36
Total comprehensive income for the year		313.71	(425.49)

The accompanying notes are an integral part of the Financial Statements

1-28**For Lodha & Co.
Chartered Accountants****For and on behalf of the Board of Directors****R P Baradiya
Partner**Place : Mumbai
Date : 15.09.2023**Ajay Piramal**Director
DIN:00028116
Place : Mumbai
Date : 15.09.2023**Aditya Natraj**Director
DIN:02309126
Place : Mumbai
Date : 15.09.2023

KAIVALYA EDUCATION FOUNDATION

CIN: U80211MH2008NPL188322

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Statement of Cash Flow for the year ended March 31, 2023

Rs. in Lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash flows from operating activities		
(Deficit)/Surplus for the year	305.73	(517.85)
Adjustments for:		
Depreciation and amortization expense	96.63	102.46
Rent Ind AS 116	-	(7.87)
Loss on sale of Assets	0.50	6.12
Sundry balances written off	27.61	0.49
Interest received	(71.08)	(114.34)
	359.38	(530.99)
(Increase)/ decrease in Financial Assets	(97.74)	(118.50)
(Increase)/ decrease in Other Current Assets	(22.56)	3.51
Increase/ (decrease) in Provisions	(56.44)	(49.35)
Increase/(decrease) in Financial Liabilities	132.32	66.16
Increase/ (decrease) in Other Current Liabilities	(84.21)	(1,566.46)
	230.75	(2,195.62)
Income Tax Assets (Net)	(3.59)	0.23
Net cash from operating activities	234.35	(2,195.85)
Cash flows from investing activities		
Purchase of property, plant and equipment	(161.62)	(167.29)
Proceed from sale of property, plant & equipment	0.37	7.82
Interest received	63.20	115.89
Proceed/(Investment) of FD	(219.01)	96.02
Net cash from investing activities	(317.06)	52.44
Cash flows from Financing activities		
Net cash from Financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(82.71)	(2,143.41)
Cash and cash equivalents at beginning of reporting period	2,081.78	4,225.19
Cash and cash equivalents at end of reporting period	1,999.07	2,081.78

The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

1-28

For Lodha & Co.
Chartered Accountants

For and on behalf of the Board of Directors

R P Baradiya
Partner

Ajay Piramal
Director
DIN:00028116

Aditya Natraj
Director
DIN:02309126

Place : Mumbai
Date : 15.09.2023

Place : Mumbai
Date : 15.09.2023

Place : Mumbai
Date : 15.09.2023

KAIVALYA EDUCATION FOUNDATION**CIN: U80211MH2008NPL188322****(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)****Statement of Changes in Equity for the year ended March 31, 2023****Rs. in Lakhs**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other Equity		
A. Surplus		
Balance at the beginning of the reporting period	608.34	1,126.19
Excess of Income over expenditure	305.73	-
Excess of Expenditure over Income	-	(517.85)
Balance at the end of the reporting period	914.07	608.34
B. Other Comprehensive Income		
<u>Remeasurements of post-employment benefit obligations</u> <u>(Actuarial gains/ (losses))</u>		
Balance at the beginning of the reporting period	105.02	12.66
Other comprehensive income	7.97	92.36
Balance at the end of the reporting period	112.99	105.02
Total (A+B)	1,027.06	713.35

The accompanying notes are an integral part of the Financial Statements

1-28**For Lodha & Co.**
Chartered Accountants**For and on behalf of the Board of Directors****R P Baradiya**
PartnerPlace : Mumbai
Date : 15.09.2023**Ajay Piramal**Director
DIN:00028116
Place : Mumbai
Date : 15.09.2023**Aditya Natraj**Director
DIN:02309126
Place : Mumbai
Date : 15.09.2023

KAIVALYA EDUCATION FOUNDATION

CIN: U80211MH2008NPL188322

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

Notes to the Financial Statements for the year ended 31st March, 2023

COMPANY OVERVIEW

KAIVALYA EDUCATION FOUNDATION ('the Company') is a private company incorporated on November 19, 2008 and registered under section 25 of the Companies Act 1956 (corresponding section 8 of the Companies Act 2013) and consequently does not have the word 'Limited' as part of its name. The Company's main operations comprise of promotion and building of an institution to provide professional development for education leaders to achieve leading education reforms.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 (hereinafter referred to as the 'Ind AS').

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principal (GAAP) on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at amortised cost (refer accounting policy on financial instruments)
- Defined Benefit and other Long-term Employee Benefits,

1.2 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

1.3 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Property, Plant and Equipment

Property, Plant and Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation (except Freehold Land) and impairment loss, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Depreciation/amortisation:

Depreciation is provided on a pro-rata basis on the written down value ('WDV') over the estimated useful lives of the assets specified in Schedule II to the Companies Act, 2013, except for the following assets for which useful lives are different from the one prescribed in Schedule II to the Companies Act, 2013:

Particulars	Useful life
Tablets	1 year

Assets costing less than Rs. 5,000	Up to the end of the year of capitalization
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Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in Statement of Profit & Loss.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Net gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognized as income or expense in the Statement of Income and Expenditure.

Intangible Assets with finite useful lives are amortized on a straight-line basis over the following period:

Asset Class	Useful Life
Software	5 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.4 IMPAIRMENT OF NON FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a Group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

1.5 REVENUE RECOGNITION DONATIONS AND GOVERNMENT GRANTS

Revenue includes Government assistance, donations, and grants sanctioned from donor agencies for the activities of the Company. Donation Income is recognized on receipt basis other than in case of Restricted grants which are recognized based on fulfillment of conditions as stipulated in the agreement with the Donor. Government grants are recognized on basis of actual expenditure. Government Grant-in aid received from State Government towards Recurring Expenditure is recognized in the financial statements on the basis of reasonable assurance that the entity will comply with the conditions attached to them.

Other Income

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.6 FINANCIAL INSTRUMENTS

Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

1.7 EMPLOYEE BENEFITS

The Company provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund and Superannuation fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The

defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

Fellowship Program

The Company runs a fellowship programme wherein the fellows are paid stipend which is disclosed as Fellowship Cost in the Income and Expenditure account. The Company retains a part of the stipend during the fellowship period and the same is paid at the end of the contracted period. This amount is disclosed as Deferred Fellowship payable in the Balance sheet.

1.8 LEASES

A contract or parts of contracts that conveys the right to control the use of an identified asset for a period of time in exchange for payments to be made to the owners (lessors) are accounted for as leases. Contracts are assessed to determine whether a contract is, or contains, a lease at the inception of a contract or when the terms and conditions of a contract are significantly changed.

Where the Company is the lessee in a lease arrangement at inception, the lease contracts are recognized as rights-of use assets and lease liabilities are measured at present value of lease payments at initial recognition except for short-term leases and leases of low value. The rights of use assets are depreciated on a straight line basis over a lease term. Lease payments are discounted using the interest rate implicit in the lease. If that rate is not readily available, the MCLR plus normal spread is applied. The incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Payments associated with short-term leases and leases of low-value assets are recognised as an expense in income & expenditure Account

1.9 FOREIGN CURRENCY TRANSACTIONS

a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.10 TAXES ON INCOME

Under the provision of the Income Tax Act, 1961, the income of the Foundation is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

1.11 PROVISIONS AND CONTINGENCIES

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.13 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

KAIVALYA EDUCATION FOUNDATION**CIN: U80211MH2008NPL188322**

(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

NOTES TO FINANCIAL STATEMENTS**Note 2 : Property, Plant and Equipment (PP&E) and Intangible Asset****Rs. in Lakhs**

Particulars	PP&E					Intangible		
	Computer & Peripherals	Furniture & Fixtures	Vehicles	Office Equipment	Books & Periodicals	Total Tangible Assets	Software	Total Intangible Asset
Gross Carrying Value as at April 1, 2021	288.80	27.76	127.98	53.73	0.50	498.78	7.07	7.07
Additions	132.76	-	-	2.32	-	135.07	32.21	32.21
Deductions	156.12	13.99	13.57	25.80	-	209.48	3.76	3.76
Gross Carrying Value as at March 31, 2022	265.43	13.77	114.41	30.26	0.50	424.37	35.52	35.52
Additions	122.54	0.24	12.10	2.19	-	137.07	24.55	24.55
Deductions	3.31	1.39	-	0.15	-	4.85	-	-
Gross Carrying Value as at March 31, 2023	384.66	12.63	126.51	32.30	0.50	556.60	60.07	60.07
Accumulated Depreciation as at April 1, 2021	257.79	18.06	73.88	45.88	0.50	396.11	5.49	5.49
Additions	79.58	2.30	13.92	3.33	-	99.13	3.33	3.33
Deductions	149.36	10.59	12.59	23.86	-	196.39	2.90	2.90
Accumulated Depreciation as at March 31, 2022	188.01	9.78	75.22	25.34	0.50	298.85	5.92	5.92
Additions	74.75	1.01	10.85	2.22	-	88.83	7.80	7.80
Deductions	2.98	0.90	-	0.10	-	3.98	-	-
Accumulated Depreciation as at March 31, 2023	259.79	9.89	86.06	27.47	0.50	383.70	13.72	13.72
Carrying value as at March 31, 2023	124.88	2.74	40.45	4.83	-	172.89	46.35	46.35
Carrying value as at March 31, 2022	77.42	4.00	39.19	4.91	-	125.52	29.61	29.61
Carrying value as at March 31, 2021	31.01	9.70	54.10	7.85	-	102.67	1.58	1.58

KAIVALYA EDUCATION FOUNDATION CIN: U80211MH2008NPL188322 (A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)		
NOTES TO FINANCIAL STATEMENTS		
		Rs. in Lakhs
Note 3 : Non-Current Assets- Financial Assets- Other Financial Assets		
Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with original maturity more than 12 months	13.05	110.37
Total	13.05	110.37
Note 4 : Current Assets- Financial Assets- Cash and cash equivalents		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks	1,735.47	2,024.73
In Bank deposits with original maturity less than 3 months	263.59	57.06
Total	1,999.07	2,081.78
Note 5 : Current Assets- Financial Assets- Bank Balance other than cash & cash equivalents		
Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with original maturity more than 3 months but less than 12 months	230.04	11.03
Total	230.04	11.03
Note 6 : Current Assets- Financial Assets- Other Financial Assets		
Particulars	As at March 31, 2023	As at March 31, 2022
Rent Deposits	8.12	39.33
Interest receivable	9.28	1.40
Receivable from donors	264.31	46.05
Other Deposits	0.28	0.16
Total	281.99	86.93
Note 7 : Current Assets- Other Current Assets		
Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid Expenses	32.55	32.59
Advance to Employee	3.01	3.77
Advance to Vendors	16.24	12.61
Total	51.81	48.96

KAIVALYA EDUCATION FOUNDATION
CIN: U80211MH2008NPL188322
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

NOTES TO FINANCIAL STATEMENTS

Rs. in Lakhs

Note 8 : Equity- Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting period	608.34	1,126.19
Excess of Income over expenditure	305.73	-
Excess of Expenditure over Income	-	(517.85)
Balance at the end of the reporting period	914.07	608.34
Other Comprehensive Income		
Balance at the beginning of the reporting period	105.02	12.66
Other comprehensive income	7.97	92.36
Balance at the end of the reporting period	112.99	105.02
Total	1,027.06	713.35

Note 9 : Non-Current Liabilities- Financial Liabilities- Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred fellowship payable	206.26	97.28
Total	206.26	97.28

Note 10 : Current liabilities- Financial Liabilities- Other Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses payable	66.78	20.26
Payable to employees and fellows	12.97	13.84
CSR Grants Refundable*	63.65	90.55
Payable to Vendors	10.54	5.93
Total	153.93	130.59

* Unspent CSR Funds to be returned to donor as per Companies (Corporate Social Responsibility) Rules, 2014 and Section 135 of the Companies Act, 2013 dated January 22nd, 2021.

Note 11 : Current Liabilities- Other Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues	27.00	50.67
Deferred fellowship payable	13.64	-
Grants Received in Advance	1,348.72	1,422.90
Total	1,389.36	1,473.57

Note 12 : Current Liabilities- Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity	23.57	87.99
Total	23.57	87.99

KAIVALYA EDUCATION FOUNDATION CIN: U80211MH2008NPL188322 (A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)		
NOTES TO FINANCIAL STATEMENTS		
		Rs. in Lakhs
Note 13 : Grants and Donations		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Grants and Donations recognised	3,919.70	3,983.84
Note 14 : Other Income		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on Fixed Deposit with bank	11.18	4.47
Interest on Savings Account with bank	59.90	109.87
Income out of Technical Support Fees	13.70	15.40
Miscellaneous income	2.64	0.89
Sundry balances written back	1.00	1.68
Total	88.42	132.30
Note 15 : Employee Benefit Expense		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries and wages	1,507.67	2,007.68
Contribution to provident and other funds	51.07	59.42
Other staff welfare expenses	34.66	24.66
Total	1,593.39	2,091.76
Note 16 : Depreciation and Amortisation Expense		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Amortisation of intangible asset	7.79	3.33
Depreciation of property, plant & equipment	88.84	99.13
Total	96.63	102.46
Note 17 : Other Expenses		
Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Auditors' remuneration (Refer note 21)	5.49	5.49
Brokerage & commission	1.04	1.11
Communication expenses	30.77	24.72
Fellowship	553.26	513.17
Insurance	21.90	29.76
Interest on TDS & GST	0.00	1.41
IT support services	74.32	39.84
Legal and Professional charges		
- Professional charges for Programmatic Expense	604.01	1,314.13
- Legal & Consultancy Charges	71.14	22.71
Loss on sale of PP&E (net)	0.50	6.12
Miscellaneous expenses	17.40	16.31
Office expenses	10.53	14.20
Printing and stationery expenses	29.37	40.28
Rates and Taxes	7.60	0.50
Rent	82.84	136.62
Repairs & maintenance expenses	18.44	27.24
Sundry balances written off	27.61	0.49
Travelling expenses	190.71	114.49
Workshop charges	265.42	131.20
Total	2,012.36	2,439.77

KAIVALYA EDUCATION FOUNDATION
(A Private Company Limited by Guarantee under Section 8 of the Companies Act, 2013)

NOTES TO FINANCIAL STATEMENTS

Note 18: Contingent Liabilities and Commitments

Contingent Liabilities: Nil

Note 19: Employee Benefits
Defined Benefit Plan:

The Company also provides for gratuity to its employees. Annual actuarial valuations at the end of each year are carried out by independent actuary in compliance with Ind AS 19 on "Employee Benefits".

Gratuity

Data Summary:	As at March 31, 2023	As at March 31, 2022
No. of Employees	221	220
Total Monthly Salary	₹ 82,66,036	₹ 73,78,965
Average Salary	₹ 37,402.88	₹ 33,540.75
Average Age	34.66	35.09
Average Past Service	3.45	3.42
Average Future Service	8 years	8 years
Valuation Results		
Discontinuance Liability	₹ 2,17,90,877	₹ 1,84,19,169
Amounts recognised in the Balance Sheet:		
Projected Benefit Obligation:	₹ 2,16,51,134	₹ 1,87,99,425
Funding Status	Funded	Funded
Fund Balance	₹ 1,92,93,566	₹ 1,00,00,000
a. Current Liability*	₹ 23,57,568	₹ 73,78,965
b. Non-Current Liability*	₹ 0	₹ 14,20,460
Significant Actuarial Assumptions:		
Discount Rate (per annum)	7.41%	6.90%
Salary escalation rate	5% for 1st year 8% for 2nd year	5% for 1st year 8% for 2nd year
Retirement Age	58 years	58 years
Vesting Period	5 years	5 years

*During the year, the Company has funded its Gratuity liability partially and intends to fund the balance liability within the next 12 months. Therefore, the balance liability towards Gratuity has been classified as Current in the financial statements.

Defined Contribution Plan:

Contribution to Provident Fund and ESIC

The Company's Defined Contribution plans pertain to the Provident Fund and ESIC it has no further obligation beyond making such contributions to the plans. An amount of ₹ 50.53 lakhs has been charged off to Statement of income & expenditure.

Included in Contribution to Provident and Other Funds (Refer Note No. 15)

Note 20: Related Party Disclosures

The names of Related parties of the Company and their relationship, as required to be disclosed under Ind AS 24 are as follows:

Names of the Related Parties	Relationship
Mr. Ajay G. Piramal	Director
Mr. Madhav Chavan	Director
Mr. Aditya Natraj	Director
Piramal Foundation	Holding company by virtue of an agreement
Piramal Foundation for Education Leadership	Fellow Subsidiary
Piramal Udgam Data Management Solutions	Fellow Subsidiary
Piramal Swasthya and Management Research Institute	Fellow Subsidiary
Gopikishan Piramal Memorial Trust	Entity where Director has significant influence
Piramal Foundation, USA	Entity over which Key Managerial Personnel is able to exercise significant influence
Piramal Capital and Housing Finance Limited	Entity where Director has significant influence

The Company has not appointed any Key Management Personnel.

In case of fellow subsidiaries, associate or joint ventures of holding company are disclosed only if any transaction has taken place during the year with such parties. Further, expenditures in nature of reimbursement are not considered as related party transaction.

Transaction during the year**Rs. in Lakhs**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Donations received		
Piramal Capital and Housing Finance Limited	603.00	395.00
Receivable from Donor		
Piramal Foundation, USA	142.35	-
Total	745.35	395.00

Note 21: Auditors' Remuneration**Rs. in Lakhs**

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<i>Payment to Statutory Auditors:</i>		
For Audit	4.00	4.00
For Certification	0.65	0.65
For GST	0.84	0.84
Total	5.49	5.49

Included in Other Expenses. (Refer Note No. 17)

Note 22: Taxes on Income*Income Tax*

The Company is registered under Section 12AA of the Income Tax Act, 1961. As per the provisions of Section 11 of the Income Tax Act, 1961 it has applied 85 percent of its Income towards activities mentioned in Section 2(15) of the said Act. Accordingly no current tax liability is required to be recognised. As per Section 12AB, the Company was required to renew its registration under section 80G and Section 12AA and the Company has filed the requisite forms and renewed its registration for the period from 2022-23 to 2026-27.

Note 23: Financial Instruments & Fair Value Disclosure**Categories of Financial Instruments:**

Particulars	Rs. in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<i>Financial Assets:</i>		
Measured at amortised cost		
(i) Cash & Cash equivalents	1,999.07	2,081.78
(ii) Bank balances other than cash and cash equivalents	230.04	11.03
(iii) Other Financial Assets	281.99	86.93
<i>Financial Liabilities:</i>		
Measured at amortised cost		
(i) Other Financial Liabilities	360.19	227.87

Note 24: Offsetting Financial Assets & Financial Liabilities

All Financial assets and Financial liabilities are disclosed individually and No offsetting has been done between Financial assets and liabilities.

Note 25: Foreign Currency Transactions

Details of Foreign Currency Transactions being Receipts or Payments during the current year are as follows:

Particulars	FY 2022-23		FY 2021-22	
	Foreign Currency	Amount in INR	Foreign Currency	Amount in INR
1) American Friends of Edelgive Foundation	\$ 23,183	18,00,160	-	-
2) Bill & Melinda Gates Foundation	-	-	\$ 2,00,232	1,46,07,926
3) British Asian Trust	NA*	1,31,76,735	-	-
4) Charities Aid Foundation	\$ 1,06,086.5	84,28,763	\$ 60,681	44,91,380
5) Children's Investment Fund Foundation	-	-	\$ 1,80,000	1,33,61,400
6) Co-Impact Philanthropic Funds, Inc fund	\$ 5,43,311	4,47,30,795	-	-
7) Dalyan Foundation	NA*	40,00,000	NA*	40,00,000
8) Give Foundation Inc	\$ 1,34,016.86	1,07,72,067	-	-
9) Google LLC	\$ 20,000	1,64,74,000	-	-
10) Jacob Foundation	-	-	20,000 CHF	15,97,800
11) King Baudouin Foundation	€ 7,98,517	6,62,54,797	-	-
12) LGT Venture Philanthropy	\$ 2,49,960	2,02,96,752	-	-
13) Standard Chartered Bank	NA*	35,41,067	-	-
14) Stichting Benevolentia	€ 2,40,295	1,90,75,819	€ 2,88,890	2,42,61,371
15) The ASPEN Institute	-	-	\$ 19,970	14,74,585
16) The Red Pencil (Europe)	€ 2,295	1,78,551	-	-
17) UBS Optimus Foundation	NA*	1,42,18,784	NA*	6,08,61,972
Total		22,29,48,290		12,46,56,434

*As per the donor agreements and bank advice, these amounts were transferred to the organization in INR.

Note 26: Other Statutory Information

a) The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

b) The provisions of Section 135 of the Companies Act, 2013 is not applicable to Company.

c) The Company has not traded or invested in Crypto currency or Virtual Currency during the

d) The Company does not hold any immovable property as at the balance sheet date.

e) The Company has not provided any loans or advances to promoters, directors, Key Managerial Personnel and other related parties during the period ended 31st March, 2023.

f) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

g) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

h) The Company does not have any subsidiary. Hence , the provisions of clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.

i) The Company has not entered into any scheme of arrangement during the period.

j) Utilisation of Borrowed funds and share premium:

(i) The Foundation has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Foundation (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Foundation has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Foundation shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 27 : Ratios

The Company is registered under Section 8 of the Companies Act, 2013 and is not for profit organisation. Therefore the requirement of disclosure of financial ratios is not applicable to the Company.

Note 28: Regrouping / Reclassification

Previous year figures have been re-grouped / re-classified wherever necessary to conform to the current year classification.

For and on behalf of the Board of Directors

Ajay Piramal

Director

DIN:00028116

Place : Mumbai

Date : 15.09.2023

Aditya Natraj

Director

DIN:02309126

Place : Mumbai

Date : 15.09.2023