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To,  
The Exe. Secretary & Director General,  
Bharatiya Vidya Bhavan,  
Kulapati Munshi Marg,  
Mumbai - 400 007.

Dear Sir,

**Sub: Audit Report for Bharatiya Vidya Bhavan, Pune Kendra  
For the Year Ended 31<sup>st</sup> March 2022.**

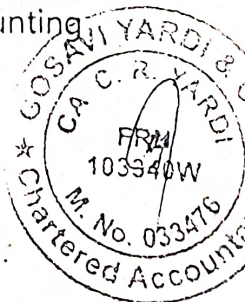
We have completed the audit of the account books of Pune Kendra and other institutes/schools for the year ending 31<sup>st</sup> March 2022. We have also audited the enclosed Income and Expenditure Accounts for the year ending on 31<sup>st</sup> March 2022 and the Balance Sheets as on that date for: -

1. Bharatiya Vidya Bhavan Pune Kendra including-
  - Sulochana Natu Vidya Mandir (Primary School)
  - Sulochana Natu Vidya Mandir (Secondary School)
  - Chhabria Nursery School
  - Paranjape Pre-Primary Teachers Training College
  - Sardar Mahadeo Balwant Natu Sabhagriha
2. Bharatiya Vidya Bhavan including Paranjape Nursery School, Kothrud & Paranjape Vidya Mandir, Kothrud
3. Mukangan Exploratory Science Centre

We report that, subject to point A and B below, the respective Income and Expenditure Accounts give a true and fair view of the surplus or deficit for the year ending on 31<sup>st</sup> March 2022 and the respective Balance Sheet give a true and fair view of the state of affairs as on 31<sup>st</sup> March 2022 so far as it appears from the examination of the records and books of the accounts maintained by them and according to the explanations given to us.

#### **A. Employee's Retirement Benefits**

It has been observed that, for defined benefit plan, such as gratuity, LIC Gratuity policy has been taken out during the year by Pune Kendra to provide for the gratuity of its employees. However, no provision of employees' benefit is accounted for as per the valuation by qualified actuary as suggested by the Accounting Standard 15 prescribed by the Institute of Chartered Accountant of India.



**B. Provision for Doubtful Receivables**

It has been learnt that, in case of RTE fees receivable by Pune Kendra of Rs 1,18,11,948/-, respective RTE authorities are of the opinion that the Pune Kendra had availed benefit from Government through the Concessional Land, hence Pune Kendra cannot claim the RTE benefit/reimbursement as per the guidelines issued under RTE rules. However, Pune Kendra differs from the view of RTE authorities and it has been learnt that legal steps are proposed to be taken by Pune Kendra to recover these fees. No provision for such cases has been made as on date of financial statements due to the said uncertainty. Such amount, if provided for, will decrease surplus (excess of income over expenditure) to the extent of Rs. 1,18,11,948/-.

**We also report that:**

1. The closing stock of books has been valued at cost and certified by the Management. We have placed reliance on the same. The Pune Kendra has taken physical stocks of books and reconciled the same with book records during the year under audit and found the physical quantities to be in agreement with book balances. It is pertinent to note that the obsolete stock has been written off by the management.
2. It has been observed that caution money deposit received from students has been carried in the accounts books since many years without claims from students leaving the school. No confirmations are on the record to ascertain the exact amount to be repaid.  
It is recommended that the said deposits be analysed and written back if they are not claimed after reasonable period after student leaves the school.
3. It has been observed that, GST annual returns have not been filed till date. It has been informed to us that GST Compliances are being examined by the Head Office Mumbai and necessary steps will be taken to comply with the GST law with due cooperation with Head Office Mumbai. It is pertinent to note that provisions of GST law w.r.t maintenance of Invoices have not been complied with by any of the units of Pune Kendra.
4. It has been observed that, Professional Tax annual returns have not been filed for last two years as the challans of prescribed format required for filing return are not being generated. It is recommended to take necessary steps to streamline the process of generating challan and thereby to file all the annual returns at the earliest.
5. It has been observed that, as PF collected by the Pune Kendra is transferred to the Head Office Mumbai for payment, in this regard PF challans could not be verified as it was explained to us that the challans were not sent by the Head office to Pune Kendra. In this regard, written confirmation through E-mail has been received from the HO Mumbai that all PF transferred by the Pune Kendra has been duly paid within the due date.

6. It has been observed that, in case of Fees receivable of earlier years, some students had transferred their admission to another school but no such intimation has been given to the school. No provision for such cases has been made as on date of financial statements.

7. Significant Accounting policies followed in the compilation of the accounts: -

**a. Method of Accounting:**

The method of accounting followed is Mercantile / accrual basis and on Historical cost convention.

**b. Fixed Assets:**

The Gross-blocks of fixed asset are shown at the cost of acquisition including Taxes and duties and other identifiable direct expenses.

**c. Depreciation:**

The depreciation rates have been charged at the rates pre-determined by the Trust. These rates are applied to the cost of Fixed Assets plus the cost of Additions during the year less the cost of disposals during the year and specific grants received against the fixed asset. In case of additions to the fixed assets, the depreciation has been charged for full year irrespective of the date on which the asset is put to use. In case of the items which are disposed off during the year, no depreciation is charged.

**d. Investment and income on Investment:**

Investments are valued at cost by applying specific identification method and the accrued income has been shown as such.

**e. Inventory of Books:**

Books printed by Bharatiya Vidya Bhavan Pune Kendra valued at actual cost of printing or market value whichever is lower.

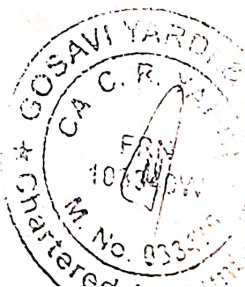
**f. Employee's benefits:**

Contributions to Provident / Pension Fund are accounted for on accrued basis. Defined benefit plan, such as Gratuity, is accounted as per the insurance premium paid.

**g. Other Accounting Policies:**

These are consistent with generally accepted accounting principles.

**h. Figures have been regrouped wherever necessary.**



i. **Inter-branch Balances:**

Transactions with Bharatiya Vidya Bhavan, Mumbai - It has been explained to us that all the monetary transactions with Bharatiya Vidya Bhavan, Mumbai, are routed through the Bharatiya Vidya Bhavan, Mumbai's Account.

j. **Grants**

i. Specific grants received for purchase of fixed assets have been accounted as per the Capital Approach as per the Accounting Standard 12 prescribed by the Institute of Chartered Accountant of India. Grants related to specific expenses are treated as income in the same period in which such expenses are recognized.

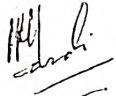
ii. Grants received for Project Expenses  
Grants received during the current year have been proportionately credited to income based on expenses incurred, since grants related to specific expenses are treated as income in the same period in which such expenses are recognized.

We thank the officials and the staff of Pune Kendra for the excellent and whole-hearted co-operation extended to us during our audit.

**For M/s Gosavi Yardi & Co.**

Chartered Accountants

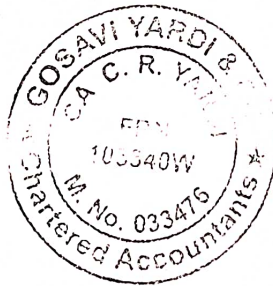
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**CA C R Yardi**

Partner

Membership No.: 033476



Place: Pune

Dated: 10/08/2022

UDIN: 22033476AQUAES8465