

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOVERNING BOARD OF POPULATION FOUNDATION OF INDIA

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **POPULATION FOUNDATION OF INDIA** ("the Foundation") which comprise the Balance Sheet as at March 31, 2020 and the Income and Expenditure Account for the year then ended, and notes to the financial statements, including a summary of the 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 a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Foundation as at March 31, 2020 and its excess of income over expenditure for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Management's Responsibility for the Financial Statements

The Foundation's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and income and expenditure of the Foundation in accordance with the Accounting Standards issued by the ICAI, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Foundation 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 management is responsible for assessing the Foundation'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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

The Governing Board is also responsible for overseeing the Foundation's financial reporting process.



Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Foundation'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 Foundation 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 any identified misstatements in the financial statements.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)



Rajesh Kumar Agarwal
(Partner)

(Membership No. 105546)

(UDIN: 20105546AAAADP7864)

Place: New Delhi

Date: September 25, 2020

POPULATION FOUNDATION OF INDIA
Balance Sheet as at March 31, 2020

Particulars	Schedule	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
SOURCES OF FUNDS			
CAPITAL			
Corpus fund	1	50,000,000	50,000,000
Society fund	2	574,310,238	515,474,785
DEFERRED GRANT	3	4,340,269	3,550,026
LIABILITIES AND PROVISIONS			
Restricted project fund	4	206,352,036	236,739,137
Current liabilities	5	27,793,613	25,707,241
Provisions	6	3,287,539	2,767,978
		866,083,695	834,239,167
APPLICATION OF FUNDS			
FIXED ASSETS			
Net block	7	12,194,110	12,017,471
INVESTMENTS	8	470,000,000	510,000,000
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and bank balances	9	296,250,510	250,697,806
Loans and advances	10	87,639,075	61,523,890
		866,083,695	834,239,167
Significant accounting policies and notes to the accounts	21		

The schedules referred to above form an integral part of the accounts

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rajesh Kumar Agarwal
Partner

Place : New Delhi
Date : September 25, 2020



For Population Foundation of India

Raam Kumar

Chief Financial Officer

Poonam Muttreja

Executive Director

Keshav Desiraju

Chairperson, Governing Board

Place : New Delhi
Date : September 25, 2020



POPULATION FOUNDATION OF INDIA
Income and Expenditure Account for the year ended March 31, 2020

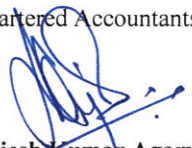
Particulars	Schedule	For the year ended March 31, 2020 Rs.	For the year ended March 31, 2019 Rs.
INCOME			
Grant income	11	345,567,971	272,008,298
Donation income	12	2,433,800	-
Rental income	13	30,901,500	30,742,800
Interest income	14	44,383,553	39,023,411
Other income	15	6,079,250	5,536,957
		429,366,074	347,311,466
EXPENDITURE			
Health and family planning expense	16	133,077,636	118,571,128
Behaviour change communication expense	17	164,078,595	119,890,507
Community action for health expense	18	48,411,740	33,546,663
Other project expense	19	14,827,313	22,347,420
Management and administrative expense	20	9,307,238	12,766,462
Depreciation	7	828,099	1,069,205
		370,530,621	308,191,385
Excess of Income over Expenditure		58,835,453	39,120,081
Significant accounting policies and notes to the accounts	21		

The schedules referred to above form an integral part of the accounts




In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants


Rajesh Kumar Agarwal
 Partner

For Population Foundation of India

  
Raam Kumar **Poonam Muttreja** **Keshav Desiraju**
 Chief Financial Officer Executive Director Chairperson, Governing Board

Place : New Delhi
 Date : September 25, 2020



Place : New Delhi
 Date : September 25, 2020



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Schedule 1: Corpus fund		
Opening balance	50,000,000	50,000,000
Transaction during the year	-	-
Closing balance	<u>50,000,000</u>	<u>50,000,000</u>
Schedule 2: Society fund		
Opening balance	515,474,785	476,354,704
Add: Excess of income over expenditure	58,835,453	39,120,081
Closing balance	<u>574,310,238</u>	<u>515,474,785</u>
Schedule 3: Deferred grant		
Opening balance	3,550,026	4,380,100
Add: Purchase of assets out of donor funds (Refer schedule 7)	2,667,620	2,515,727
Less: Assets written off out of above	-	1,582,899
Less: Depreciation on assets	1,877,377	1,762,902
Closing balance	<u>4,340,269</u>	<u>3,550,026</u>

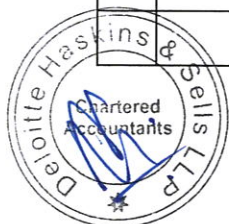


POPULATION FOUNDATION OF INDIA

Schedules forming part of the accounts

Schedule 4 : Restricted project fund

S.No.	Source of Fund		Balance as at April 1, 2019 Payable/(Receivable) (Refer Note 1)	Receipts during the year	Refund during the year*	Interest and other income during the year	Transferred to Income and Expenditure Account	Balance as at March 31, 2020 Payable/ (Receivable) (Refer Note 1)
			(A)	(B)	(C)	(D)	(E)	(F=A+B-C+D-E)
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
FOREIGN CONTRIBUTION UNDER FCRA								
1	Johns Hopkins University, Bloomberg School of Public Health - Advance family planning - II	Current Year	2,988,506	11,001,656	-	132,051	14,122,213	-
		Previous Year	2,722,177	18,769,714	-	99,418	18,602,803	2,988,506
2	Bill and Melinda Gates Foundation - Realizing commitments to family planning	Current Year	25,491,481	-	-	448,334	25,939,815	-
		Previous Year	47,876,049	49,081,543	-	1,875,919	73,342,030	25,491,481
3	John D and Catherine T MacArthur Foundation - Scaling up phase IV	Current Year	5,985,501	-	-	171,321	6,156,822	-
		Previous Year	5,215,222	7,578,747	-	473,507	7,281,975	5,985,501
4	The David & Lucile Packard Foundation - Network strengthening and strategic planning of ARC Coalition	Current Year	163,622	-	-	-	163,622	-
		Previous Year	2,704,802	-	-	118,585	2,659,765	163,622
5	Bill and Melinda Gates Foundation - Family planning serial - Main Kuch Bhi Kar Sakti Hoon	Current Year	113,454,979	-	-	4,798,232	92,557,519	25,695,692
		Previous Year	-	160,976,700	-	4,611,817	52,133,538	113,454,979
6	Children's Investment Fund Foundation - Expanding the quality of and access to adolescent reproductive health services	Current Year	11,075,495	32,834,172	-	1,247,762	26,336,628	18,820,801
		Previous Year	-	21,630,892	-	580,338	11,135,735	11,075,495
7	Children's Investment Fund Foundation - Youth-led action for sex education	Current Year	18,771,495	51,051,678	-	956,386	29,948,314	40,831,245
		Previous Year	-	21,958,237	-	522,488	3,709,230	18,771,495
8	Children's Investment Fund Foundation - Matrix of change - adolescents	Current Year	6,072,575	7,173,805	-	366,569	14,258,167	(645,218)
		Previous Year	-	7,251,302	-	115,367	1,294,094	6,072,575
9	The David & Lucile Packard Foundation - Elevating beneficiary voices in advocacy	Current Year	3,476,553	-	-	86,790	3,563,343	-
		Previous Year	-	3,589,391	-	82,785	195,623	3,476,553
10	The David & Lucile Packard Foundation - Community based monitoring of health services	Current Year	44,627,721	3,553,714	-	2,068,921	32,301,400	17,948,956
		Previous Year	-	49,373,678	-	547,896	5,293,853	44,627,721
11	Bill and Melinda Gates Foundation - Realising commitment to family planning II	Current Year	-	64,159,200	-	1,377,149	8,438,983	57,097,366
		Previous Year	-	-	-	-	-	-
12	The David & Lucile Packard Foundation - Strengthening the governance and operations of ARC coalition	Current Year	-	7,049,838	-	129,721	1,117,555	6,062,004
		Previous Year	-	-	-	-	-	-
13	Children's Investment Fund Foundation - Investing in health and well being of adolescents	Current Year	-	42,923,003	-	465,837	6,595,517	36,793,323
		Previous Year	-	-	-	-	-	-
14	Bill and Melinda Gates Foundation - Entertainment education initiative MKBKSH II	Current Year	-	10,724,216	-	303,850	7,925,417	3,102,649
		Previous Year	-	-	-	-	-	-
15	International Foundation for Research and Education - Enhancement of AI component in Snehai to improve user experience and personalisation for MKBKSH	Current Year	-	2,800,000	-	27,654	4,912,813	(2,085,159)
		Previous Year	-	-	-	-	-	-
16	The David & Lucile Packard Foundation - Advocacy, communication and accountability programme	Current Year	-	-	-	-	-	-
		Previous Year	15,371,350	-	-	445,323	15,816,673	-
17	Bill and Melinda Gates Foundation - Combating violence against women and girls	Current Year	-	-	-	-	-	-
		Previous Year	8,961,694	-	-	223,291	9,184,985	-
TOTAL (A)		Current Year	232,107,928	233,271,282	-	12,580,577	274,338,128	203,621,659
		Previous Year	82,851,294	340,210,204	-	9,696,734	200,650,304	232,107,928



Handwritten signature



S.No.	Source of Fund		Balance as at April 1, 2019 Payable/(Receivable) (Refer Note 1)	Receipts during the year	Refund during the year*	Interest and other income during the year	Transferred to Income and Expenditure Account	Balance as at March 31, 2020 Payable/ (Receivable) (Refer Note 1)
			(A)	(B)	(C)	(D)	(E)	(F=A+B-C+D-E)
			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
NON-FOREIGN CONTRIBUTION								
1	National Health Systems Resource Centre - Strengthening community action for health under national health mission	Current Year	(4,020,191)	12,814,661	-	-	12,546,997	(3,752,527)
		Previous Year	(6,734,636)	14,954,959	-	-	12,240,514	(4,020,191)
2	REC Foundation - Sanitation serial - Main Kuch Bhi Kar Sakti Hoon	Current Year	2,131,209	52,179,037	-	155,861	54,466,107	-
		Previous Year	-	54,096,260	-	344,377	52,309,428	2,131,209
3	BFL Investment and Financial Consultants Pvt Ltd - CSR grant	Current Year	1,250,000	-	-	-	1,250,000	-
		Previous Year	1,250,000	1,250,000	-	-	1,250,000	1,250,000
4	Apollo Trading and Finance Pvt Ltd - CSR grant	Current Year	1,250,000	-	-	-	1,250,000	-
		Previous Year	1,250,000	1,250,000	-	-	1,250,000	1,250,000
5	ActionAid Association - Facilitating behavioural change among communities with use of ICT tools to reverse gender based discrimination	Current Year	-	1,700,000	-	7,719	1,716,739	(9,020)
		Previous Year	-	-	-	-	-	-
6	United Nations Population Fund - Developing artificial intelligence based chat-bot	Current Year	-	-	-	-	-	-
		Previous Year	-	4,383,178	101,591	26,465	4,308,052	-
TOTAL (B)		Current Year	611,018	66,693,698	-	163,580	71,229,843	(3,761,547)
		Previous Year	(4,234,636)	75,934,397	101,591	370,842	71,357,994	611,018
GRAND TOTAL (A+B)		Current Year	232,718,946	299,964,980	-	12,744,157	345,567,971	199,860,112
		Previous Year	78,616,658	416,144,601	101,591	10,067,576	272,008,298	232,718,946

* Unutilised grant amount was returned to United Nations Population Fund during the previous year.

Note 1:

Represents liability on account of restricted project funds

Represents receivable from donors for projects (Refer Schedule 10)

Total

As at
April 1, 2019
236,739,137
(4,020,191)
232,718,946

As at
March 31, 2020
206,352,036
(6,491,924)
199,860,112



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Schedule 5: Current liabilities		
Advance rent	1,649,375	1,649,375
Security deposit	14,442,075	14,442,075
Payable to partners for grants	703,342	264,391
Payable to subgrantees	657,114	499,888
Other liabilities	10,341,707	8,851,512
	<u>27,793,613</u>	<u>25,707,241</u>
Schedule 6: Provisions		
Provision for leave encashment	<u>3,287,539</u>	<u>2,767,978</u>
	<u>3,287,539</u>	<u>2,767,978</u>



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Schedule 7 : Fixed assets

S.No.	PARTICULARS		GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
			As at April 1, 2019	Additions	Sale / written off	As at March 31, 2020	Upto March 31, 2019	For the Year	Adjustment on sale/ write off	Upto March 31, 2020	As at March 31, 2020	As at March 31, 2019
	PFI funded		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land - leasehold	Current Year	475,023	-	-	475,023	166,878	4,798	-	171,676	303,347	308,145
		Previous Year	475,023	-	-	475,023	162,080	4,798	-	166,878	308,145	
2	Building	Current Year	23,152,554	-	-	23,152,554	18,046,603	255,293	-	18,301,896	4,850,658	5,105,951
		Previous Year	23,152,554	-	-	23,152,554	17,777,868	268,735	-	18,046,603	5,105,951	
3	Motor vehicles	Current Year	2,643,036	-	-	2,643,036	1,436,769	180,940	-	1,617,709	1,025,327	1,206,267
		Previous Year	2,643,036	-	-	2,643,036	1,223,898	212,871	-	1,436,769	1,206,267	
4	Furniture & fixtures	Current Year	1,171,466	-	-	1,171,466	835,694	33,579	-	869,273	302,193	335,772
		Previous Year	1,198,464	-	26,998	1,171,466	819,257	37,310	20,873	835,694	335,772	
5	Equipment	Current Year	4,654,231	230,644	385,879	4,498,996	3,353,561	227,340	370,124	3,210,777	1,288,219	1,300,670
		Previous Year	5,423,004	140,354	909,127	4,654,231	3,971,443	229,526	847,408	3,353,561	1,300,670	
6	Computers/printers	Current Year	2,208,517	-	199,216	2,009,301	1,997,877	126,149	198,822	1,925,204	84,097	210,640
		Previous Year	2,497,797	34,073	323,353	2,208,517	2,000,935	315,965	319,023	1,997,877	210,640	
	SUB TOTAL (A)	Current Year	34,304,827	230,644	585,095	33,950,376	25,837,382	828,099	568,946	26,096,535	7,853,841	8,467,445
		Previous Year	35,389,878	174,427	1,259,478	34,304,827	25,955,481	1,069,205	1,187,304	25,837,382	8,467,445	
	Foreign currency donor funded*											
7	Office equipment	Current Year	7,038,839	1,415,760	-	8,454,599	4,535,911	587,806	-	5,123,717	3,330,882	2,502,928
		Previous Year	11,424,515	522,524	4,908,200	7,038,839	7,419,516	441,696	3,325,301	4,535,911	2,502,928	
8	Computers/printers	Current Year	3,094,228	1,251,860	-	4,346,088	2,226,725	1,271,609	-	3,498,334	847,754	867,503
		Previous Year	1,300,574	1,793,654	-	3,094,228	925,473	1,301,252	-	2,226,725	867,503	
9	Furnitures & fixture	Current Year	199,549	-	-	199,549	19,954	17,962	-	37,916	161,633	179,595
		Previous Year	-	199,549	-	199,549	-	19,954	-	19,954	179,595	
	SUB TOTAL (B)	Current Year	10,332,616	2,667,620	-	13,000,236	6,782,590	1,877,377	-	8,659,967	4,340,269	3,550,026
		Previous Year	12,725,089	2,515,727	4,908,200	10,332,616	8,344,989	1,762,902	3,325,301	6,782,590	3,550,026	
	GRAND TOTAL (A + B)	Current Year	44,637,443	2,898,264	585,095	46,950,612	32,619,972	2,705,476	568,946	34,756,502	12,194,110	12,017,471
		Previous Year	48,114,967	2,690,154	6,167,678	44,637,443	34,300,470	2,832,107	4,512,605	32,619,972	12,017,471	

* Depreciation on fixed assets, funded by donors has been adjusted against Deferred Grant created for the same. (Refer schedule 3)



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
Schedule 8: Investments		
Fixed deposits (Long term)		
- Housing Development Finance Corp Limited	133,000,000	133,000,000
- Bandhan Bank Limited *	182,000,000	162,000,000
- PNB Housing Finance Limited	133,000,000	158,000,000
- Bajaj Finance Limited	-	35,000,000
- LIC Housing Finance Limited	22,000,000	22,000,000
	470,000,000	510,000,000
* Previously GRUH Finance Limited		
Schedule 9: Cash and Bank balances		
Cash on hand	51,513	9,856
Balances with scheduled banks		
- in saving accounts	296,198,997	250,687,950
	296,250,510	250,697,806
Schedule 10: Loans and advances		
(Unsecured and considered good, unless otherwise stated)		
Accrued interest income	59,375,608	32,920,958
Income-tax recoverable	5,418,198	8,057,678
Advances recoverable in cash or in kind or for value to be received	826,482	595,251
Security deposits	2,078,625	1,968,573
Prepaid expenses	1,828,362	1,902,554
Surplus gratuity fund	1,664,172	182,493
Advances for projects funded out of core funds	3,030,000	1,121,951
Advances to subgrantees	6,925,704	10,754,241
<u>Reimbursable for projects(Refer note 1 in Schedule 4):</u>		
- Children's Investment Fund Foundation - Matrix	645,218	-
- International Foundation for Research and Education - Enhancement of AI for MKBKSH	2,085,159	-
- National Health Systems Resource Centre - CAH	3,752,527	4,020,191
- ActionAid Association - Facilitating BCC	9,020	-
	87,639,075	61,523,890



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2020 Rs.	For the year ended March 31, 2019 Rs.
Schedule 11: Grant income (Refer schedule 4)		
Grant from FCRA agencies	274,338,128	200,650,304
Grant from non-FCRA agencies	71,229,843	71,357,994
	<u>345,567,971</u>	<u>272,008,298</u>
Schedule 12: Donation income		
Donation	2,433,800	-
	<u>2,433,800</u>	<u>-</u>
Schedule 13: Rental income		
Rent from Nutrition International	19,792,500	19,792,500
Rent from John Snow India Pvt. Ltd.	11,109,000	10,950,300
	<u>30,901,500</u>	<u>30,742,800</u>
Schedule 14: Interest income		
Interest on bank accounts	1,712,907	743,136
Interest on investments	42,110,109	37,776,006
Interest on income-tax refund	560,537	504,269
	<u>44,383,553</u>	<u>39,023,411</u>
Schedule 15: Other income		
Miscellaneous income	6,079,250	5,536,957
	<u>6,079,250</u>	<u>5,536,957</u>



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2020 Rs.	For the year ended March 31, 2019 Rs.
Schedule 16: Health and family planning expense (Refer Schedule 21-Note 2 (xii))		
Advance family planning - II - John Hopkins University	14,122,213	18,602,803
Realising commitment to family planning - Bill and Melinda Gates Foundation	25,939,815	73,342,030
Strengthening capacity of rogi kalyan samitis - John D and Catherine T MacArthur Foundation	6,156,822	7,281,975
Network strengthening and strategic planning of ARC Coalition - The David & Lucile Packard Foundation	163,622	2,659,765
Expanding the quality of and access to adolescent reproductive services- Children's Investment Fund Foundation	26,336,628	11,135,735
Youth-led Action for Sex Education - Children's Investment Fund Foundation	29,948,314	3,709,230
Matrix of change - Children's Investment Fund Foundation	14,258,167	1,294,094
Realising commitment to family planning II- Bill and Melinda Gates Foundation	8,438,983	-
Strengthening the governance and operations of ARC coalition - The David & Lucile Packard Foundation	1,117,555	-
Investing in health and well being of adolescents - Children's Investment Fund Foundation	6,595,517	-
Other health and family planning expense	-	545,496
	133,077,636	118,571,128

Schedule 17: Behaviour change communication expense
(Refer Schedule 21-Note 2 (xii))

Entertainment education initiative MKBKSH - Bill and Melinda Gates Foundation	92,557,519	52,133,538
Entertainment education initiative MKBKSH - REC Foundation	54,466,107	52,309,428
Entertainment education initiative MKBKSH II - Bill and Melinda Gates Foundation	7,925,417	-
Facilitating behavioural change among communities with use of ICT tools to reverse gender based discrimination - ActionAid Association	1,716,739	-
Enhancement of AI component in Snehai to improve user experience and personalisation for MKBKSH - International Foundation for Research and Education	4,912,813	-
Violence against women and girls - Bill and Melinda Gates Foundation	-	9,184,985
Developing artificial intelligence based chat-bot - United Nations Population Fund	-	4,308,052
Other behaviour change communication expense	2,500,000	1,954,504
	164,078,595	119,890,507



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2020 Rs.	For the year ended March 31, 2019 Rs.
Schedule 18: Community action for health expense (Refer Schedule 21-Note 2 (xii))		
Strengthening community action for health - National Health Systems Resource Centre	12,546,997	12,240,514
Community based monitoring systems - The David & Lucile Packard Foundation	32,301,400	5,293,853
Elevating beneficiary voices in advocacy - The David & Lucile Packard Foundation	3,563,343	195,623
Advocacy, communication and accountability - The David & Lucile Packard Foundation	-	15,816,673
	48,411,740	33,546,663
Schedule 19: Other project expense (Refer Schedule 21-Note 2 (xii))		
Projects out of PFI own funds:		
(a) Demonstration/action research		
Population stabilisation programme - Save A Mother Foundation	1,524,605	2,494,232
Generating awareness and discourse on including informed consent - South India Aids Action Programme	724,065	656,215
Population Stabilization Programme in Bahraich district, UP - Save A Mother Foundation	492,396	-
Family planning programme to bring about sustainable improvement in the health - Agragami India	-	578,383
(b) Other project expenses	1,678,843	1,798,446
(c) Project implementation expenses	10,407,404	16,820,144
	14,827,313	22,347,420
Schedule 20: Management and administrative expenses*		
Salaries and benefits	2,214,276	4,100,369
Staff welfare	310,754	486,470
Tour, travelling and conveyance expense	126,016	347,721
Communication expense	31,798	45,026
Printing and stationary expense	164,625	238,115
Consultancy fee	98,552	224,301
Legal and professional expense	160,952	255,991
Statutory audit fees	888,404	803,008
Statutory charges	779,216	854,700
Office running expense	3,412,202	3,921,842
Electricity and water expense	912,666	1,189,039
Insurance	32,024	50,905
Assets written off	9,689	33,913
Miscellaneous expense	166,064	215,062
	9,307,238	12,766,462

*Excluding the expenses charged to Projects, funded by International and other agencies



Population Foundation of India

Schedule 21: Statement of significant accounting policies and notes to the accounts

1. Background

- (a) Population Foundation of India (PFI) is a non-government organization established in 1970 as a Society under the Societies Registration Act, 1860 by a group of socially committed industrialists led by Mr. J.R.D. Tata and Dr. Bharat Ram. PFI is at the forefront of policy advocacy and research on population issues in the country. PFI promotes and advocates for effective formulation and implementation of gender-sensitive population, health and development policies, strategies and programs.
- (b) PFI has the following significant registrations under various Acts, which are given below:
- Permanent Account Number (PAN) – AAATP0002F
 - Under Section 12A of Income Tax Act, 1961 bearing registration number DLI (C) (I-1877)
 - Under Section 10(23C) of Income-tax Act, 1961 vide letter dated October 15, 2008.
 - Under Section 80 (G) of Income-tax Act, 1961 vide letter dated February 19, 2008.
 - Goods and Service Tax Registration No. 07AAATP0002F1ZA
 - Provident Fund Registration No. DS/NHP/0003219/000
 - Employees State Insurance Corporation Registration No. 20001251200000999
 - Under Foreign Contribution (Regulation) Act, 1976 bearing registration No. 231650340. PFI has renewed the registration under the Foreign Contribution (Regulation) Act, 2010 / Foreign Contribution (Registration) Rules, 2011, for carrying out activities of social nature for a period of five years with effect from November 1, 2016 to October 31, 2021.

2. Significant accounting policies

(i) Accounting convention

The financial statements have been prepared under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India (Indian GAAP) and applicable accounting standards issued by the Institute of Chartered Accountants of India, unless otherwise stated.

The accounting policies have been consistently applied by PFI and are consistent with those used in the previous year.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires PFI to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revisions to accounting estimates is recognized prospectively in current and future periods.



(iii) **Fixed assets and depreciation**

(a) Fixed assets are stated at cost less accumulated depreciation.

Cost of acquisition/construction includes freight, duties, taxes and other incidental expenses incurred until installation/commissioning of the asset concerned.

Fixed Assets purchased specifically from Project/Program grants implemented by PFI/sub-grantees are charged to respective projects /programs in the year of purchase. Further, in order to keep quantitative and financial control over such assets, respective fixed assets account is debited with an equal credit to Deferred Grant in the Balance Sheet. Depreciation on such assets as per rates indicated in (b) below are reduced from respective fixed assets account and Deferred Grant account.

(b) Fixed assets are depreciated on the written down value method at the following rates of depreciation:

Building	5%
Motor vehicles	15%
Furniture and fixtures	10%
Equipment	15%
Computers/Printers	60%
Temporary Wooden Partitions/ Structures	100%

(c) Leasehold land is amortized over the life of the lease.

(d) Depreciation on additions are charged for the full year irrespective of the date of acquisition and no depreciation is charged on assets sold/discarded during the year.

(e) Assets costing less than Rs. 5,000 each are charged off to the Income and Expenditure Account in the year of purchase.

(iv) **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to PFI and the revenue can be reliably measured.

(a) **Grant income**

Financial assistance provided by the donors and funding agencies is recognized in the year it is received or when the entitlement for the grant is established. The grants and assistance received are recognized as revenue when all of the following conditions have been satisfied:

(i) PFI obtains control of the grant or the right to receive the grant;



- (ii) it is probable that the contribution will flow to PFI; and
- (iii) the amount of the grant can be reliably measured.

The revenue from grant income is recognized over the periods necessary to match with related costs and only when there is reasonable assurance that the conditions attached to them will be complied with and the grants will be received.

Interest on grant funds is credited to the restricted project fund using time proportion method, based on the rate implicit in the transaction.

(b) Donation income

Donation income is recognized in the year it is received.

(c) Interest income

Interest income on PFI's own funds is recognized using time proportion method, based on the rate implicit in the transaction.

(d) Rental income

Rental income is recognized pro-rata over the period of the rent agreement.

(e) Other income

Other income is recognized when the service has been rendered and there is a reasonable assurance that conditions attached to the agreement have been complied with.

(v) Project expenses

Project expenses comprise of: -

- a. Projects carried out by PFI out of donor funds and own funds;
- b. Projects carried out by other organisations out of PFI's own grant funds;
- c. Projects carried out by other organisations out of donor funds as subgrantee.

Expenses carried out by PFI out of donor funds and own funds, are booked on accrual basis. In respect of expenditure incurred by grantees on projects funded by PFI out of its own resources and out of grant funds, they are accounted for based on the Quarterly Expenditure Reports and finally settled on the basis of Utilisation Certificates issued by independent firms of Chartered Accountants or by their Management.

Recovery of overheads from funded projects is made as per duly approved "Overhead Policy" of PFI and accordingly reflected in the financial statements.



(vi) **Investments**

Investments include deposits with Banks and Financial Institutions for more than one year.

Investments having Original Maturity of lesser than one year at the time of investment are classified as bank balance and these are carried at cost or realizable value whichever is lower.

(vii) **Employee benefits**

Wages, salaries and bonus are accrued in the year in which the associated services are rendered by employees of PFI.

- (a) PFI has various schemes for its employee's benefits such as provident fund, employee state insurance, mediclaim insurance, leave encashment and gratuity. PFI's contribution to these schemes in respect of all employees, determined as per the rules of PFI on an accrual basis, are charged to revenue.
- (b) As per the Rules and Regulations, PFI does not have any obligation towards post-employment life insurance and post-employment medical care.
- (c) Provision for gratuity has been made in respect of all employees as per the Payment of Gratuity Act, 1972. PFI has taken a Group Gratuity Scheme from Life Insurance Corporation of India and provision has been made based on the valuation provided by Life Insurance Corporation of India.
- (d) Defined contribution plans
The Foundation makes Provident fund, Employee State Insurance Scheme contributions which are defined contribution plans for qualifying employees. Under the schemes, the Foundation is required to contribute a specified percentage of the payroll costs to fund the benefits. The Foundation recognized Rs. 5,313,587 (year ended 31 March 2019, Rs. 4,772,160) for Provident Fund contributions and Rs. 36,883 (year ended 31 March 2019, Rs. 57,544) for Employee State Insurance Scheme contributions in the Income and Expenditure Account. The contributions payable to these plans by the Foundation are at rates specified in the rules of the schemes.
- (e) Defined benefit plans
The Foundation offers the following employee benefit schemes to its employees:
- Gratuity
 - Leave encashment

The liability for Gratuity of Rs. 11,254,927 (year ended 31 March 2019, Rs. 10,761,374), the expenditure of Rs. 729,779 (year ended 31 March 2019, of Rs. 1,176,882), the fund balance of Rs. 12,919,099 (year ended 31 March 2019, Rs. 10,943,867) and the liability for Leave



encashment of Rs. 3,287,539 (year ended 31 March 2019, Rs. 2,767,978), the expenditure of Rs. 1,026,539 (year ended 31 March 2019, Rs. (-) 414,031) has been determined by actuarial valuation details as per table below:

Particulars	For the year ended 31 March, 2020	For the year ended 31 March, 2019
Discount Rate	6.75% per annum	7.50% per annum
Expected return on plan assets	6.75% per annum	7.50% per annum
Salary escalation	8.00%	8.00%

(viii) **Foreign currency transactions**

Transactions in foreign currency and non-monetary assets are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted at the year-end exchange rate.

The exchange differences arising on such conversion and on settlement of the transactions are dealt with in the Income and Expenditure Account.

(ix) **Taxes on income**

PFI prepares the computation of taxable income and application of income under the Income Tax Act 1961 as per Income and Expenditure Account (On Accrual basis). Since there is no business activity carried out by PFI and all expenses are towards the objects of PFI / are for projects for which grant is received from government and non-government agencies and exempted under Section 12A of Income-tax Act, accordingly provisions for income-tax is not required to be recorded by PFI.

(x) **SMEs note**

Since the Foundation in terms of the "Scheme for Applicability of Accounting Standards to Small and Medium Size Enterprises (SMEs)" issued by Institute of Chartered Accountants of India is exempted/ relaxed from the disclosure requirements contained in Accounting Standards (AS) specified under such scheme by virtue of being Level III Enterprise, the disclosure requirements under AS-3 "Cash Flow Statement", AS-17 "Segment Reporting", AS-18 "Related Party Disclosures" and AS-29 "Provision, Contingent Liabilities and Contingent Assets", have not been made in the accounts.

(xi) **Contingent liabilities and provisions**

PFI makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with-in the control of PFI.



b) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations, or

c) Present obligation, where a reliable estimate cannot be made.

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

As on March 31, 2020, PFI does not have any pending litigation against it.

(xii) Project expenses includes expenses allocated between projects on suitable basis (Also refer note (xiii) below). Nature wise summary of expenses shown under schedule 16, 17, 18 and 19 is given below: -

Summary of Expense – Schedule 16, 17, 18 & 19	FY 2019-20 Amount (Rs.)	FY 2018-19 Amount (Rs.)
Salary and staff welfare	104,078,466	89,709,849
Consultancy and professional fee	70,415,549	38,608,924
Program promotion	19,912,156	17,478,766
Office running	13,443,138	11,894,930
Meeting and consultation	3,994,838	2,561,317
Printing and stationary	2,174,703	2,258,880
Travel	19,831,655	17,615,362
Communication	2,508,862	1,690,476
Production	75,869,575	70,763,320
Research and evaluation	12,271,447	13,702,476
Grant	4,419,909	5,527,276
Sub-grant	27,573,081	9,955,604
Purchase of fixed assets	2,667,619	2,515,727
Others	1,234,286	10,072,811
Total	360,395,284	294,355,718


(xiii) During the year a sum of Rs. 117,075,708 (year ended 31 March 2019 Rs. 94,037,459) have been charged to the Projects funded by International and other agencies as salaries and overheads, including employee costs, on a basis considered reasonable by the management.

(xiv) Figures for the previous year have been re-grouped/re-arranged, wherever necessary.

For Population Foundation of India


Raam Kumar
Chief Financial Officer


Poonam Muttreja
Executive Director


Keshav Desiraju
Chairperson, Governing Board

Place: New Delhi
Date: September 25, 2020

