

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOVERNING BOARD POPULATION FOUNDATION OF INDIA

Report on the Financial Statements

We have audited the accompanying financial statements of **POPULATION FOUNDATION OF INDIA ("the FOUNDATION")**, which comprising of the Balance Sheet as at 31st March, 2017, the Income and Expenditure account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

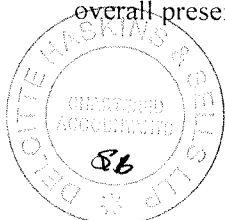
Management's Responsibility for the Financial Statements

The management of the Foundation 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 principles generally accepted in India for Non-Profit entities. The management of the Foundation is responsible for maintenance of adequate accounting records for safeguarding the assets of the Foundation and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountant of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Foundation's preparation of the financial statements that give a true and fair view 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 Foundation's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.



Deloitte Haskins & Sells LLP

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India for Non-Profit entities;

1. In the case of balance sheet, of the state of affairs of the Foundation as at 31st March, 2017.
2. In the case of income and expenditure account, of the surplus for the year ended on that date.

We further 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 of the aforesaid financial statements.
- b) In our opinion, proper books of account relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
- c) The Balance Sheet and Income and Expenditure account dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

Place: Gurugram

Date: SEP 20, 2017

Vijay Agarwal

Partner

(Membership No. 094468)



POPULATION FOUNDATION OF INDIA
Balance Sheet as at March 31, 2017

Particulars	Schedule	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
SOURCES OF FUNDS			
CAPITAL			
Corpus fund	1	50,000,000	50,000,000
Society fund	2	423,440,249	381,793,572
DEFERRED GRANT	3	4,953,644	4,705,435
LIABILITIES AND PROVISIONS			
Restricted project fund	4	159,734,863	163,935,084
Current liabilities	5	25,930,075	27,589,028
Provisions	6	2,549,096	3,329,021
		<u>666,607,927</u>	<u>631,352,140</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Net block	7	14,067,091	13,537,859
INVESTMENTS	8	369,130,136	333,361,609
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and bank balances	9	179,844,619	192,062,792
Loans and advances	10	103,566,081	92,389,880
		<u>666,607,927</u>	<u>631,352,140</u>

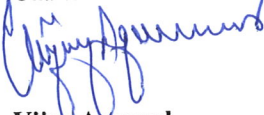
Significant accounting policies and notes to the accounts 20

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



Vijay Agarwal
Partner

For Population Foundation of India



Raam Kumar
Director (F&A)



Poonam Muttreja
Executive Director



Keshav Desiraju
Chairman, Governing Board

Place : GURUGRAM

Date : SEP 20, 2017

Place : New Delhi

Date : September 20, 2017



POPULATION FOUNDATION OF INDIA
Income and Expenditure Account for the year ended March 31, 2017

Particulars	Schedule	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
INCOME			
Grant income	11	182,763,796	312,681,427
Rental income	12	31,601,436	23,537,009
Interest income	13	38,401,360	33,575,603
Other income	14	2,180,825	3,939,370
		<u>254,947,417</u>	<u>373,733,409</u>
EXPENDITURE			
Health and family planning expense	15	108,904,736	107,170,297
Behaviour change communication expense	16	62,587,684	197,128,250
Community action for health expense	17	11,271,376	8,382,880
Other project expense	18	19,067,406	22,908,475
Management and administrative expense	19	10,409,195	5,590,163
Depreciation	7	1,060,343	1,227,413
		<u>213,300,740</u>	<u>342,407,478</u>
Excess of Income over Expenditure		41,646,677	31,325,931

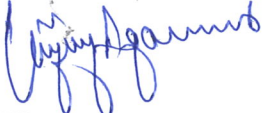
Significant accounting policies and notes to the accounts

20

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



Vijay Agarwal
Partner

For Population Foundation of India



Raam Kumar
Director (F&A)



Poonam Muttreja
Executive Director



Keshav Desiraju
Chairman, Governing Board

Place : GURUGRAM

Date : SEP 20, 2017

Place : New Delhi

Date : September 20, 2017



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2017 Rs.	As at March 31, 2016 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	381,793,572	350,467,641
Add: Excess of income over expenditure	41,646,677	31,325,931
Closing balance	<u>423,440,249</u>	<u>381,793,572</u>
Schedule 3: Deferred grant		
Opening balance	4,705,435	7,058,153
Add: Purchase of assets out of donor funds (Refer schedule 7)	1,442,518	-
Less: Depreciation on assets	1,194,309	2,352,718
Closing balance	<u>4,953,644</u>	<u>4,705,435</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, 2016 Payable/(Receivable) (Refer Note 1)	Receipts during the year	Interest and other income during the year	Transferred to Income and Expenditure Account	Balance as at March 31, 2017 Payable/(Receivable) (Refer Note 1)
		(A) Rs.	(B) Rs.	(C) Rs.	(D) Rs.	(E=A+B+C-D) Rs.
	FOREIGN CONTRIBUTION UNDER FCRA					
1	United States Agency for International Development - Health of the urban poor	Current Year (5,563,163) Previous Year 1,950,353	Current Year 5,651,255 Previous Year 32,266,044	Current Year 11,559 Previous Year 407,092	Current Year 99,651 Previous Year 40,186,652	Current Year - Previous Year (5,563,163)
2	The David & Lucile Packard Foundation - Advocacy for change - Repositioning of family planning	Current Year 3,734,811 Previous Year 8,478,646	Current Year - Previous Year -	Current Year 84,917 Previous Year 269,283	Current Year 3,670,103 Previous Year 5,013,118	Current Year 149,625 Previous Year 3,734,811
3	Johns Hopkins University, Bloomberg School of Public Health - Advance family planning - II	Current Year (1,059,549) Previous Year 2,145,541	Current Year 14,856,919 Previous Year 12,790,223	Current Year 80,927 Previous Year 110,656	Current Year 19,987,209 Previous Year 16,105,969	Current Year (6,108,912) Previous Year (1,059,549)
4	Bill and Melinda Gates Foundation - Realizing commitments to family planning	Current Year 76,027,949 Previous Year 61,542,225	Current Year 27,595,836 Previous Year 49,237,500	Current Year 5,397,350 Previous Year 4,670,490	Current Year 57,342,780 Previous Year 39,422,266	Current Year 51,678,355 Previous Year 76,027,949
5	Bill and Melinda Gates Foundation - Family planning serial - MKBKS	Current Year 39,049,917 Previous Year 93,718,753	Current Year - Previous Year -	Current Year 2,226,484 Previous Year 2,908,770	Current Year 41,276,401 Previous Year 57,577,606	Current Year - Previous Year 39,049,917
6	Save the Children: Bal Raksha Bharat - Saving new born lives in India	Current Year 345,753 Previous Year 859,004	Current Year - Previous Year 313,081	Current Year 5,612 Previous Year -	Current Year - Previous Year 826,332	Current Year 351,365 Previous Year 345,753
7	The David & Lucile Packard Foundation - Advocacy, communication and accountability programme	Current Year 30,328,887 Previous Year -	Current Year 26,682,482 Previous Year 38,819,353	Current Year 1,463,898 Previous Year 567,949	Current Year 22,277,385 Previous Year 9,038,415	Current Year 36,197,882 Previous Year 30,328,887
8	The President and Fellows of Harvard College - Maternal health task force	Current Year (3,725,255) Previous Year -	Current Year 4,422,505 Previous Year 5,413,151	Current Year - Previous Year 4,328	Current Year 697,250 Previous Year 9,142,734	Current Year - Previous Year (3,725,255)
9	John D and Catherine T MacArthur Foundation - Scaling up phase IV	Current Year 11,750,745 Previous Year -	Current Year - Previous Year 12,705,300	Current Year 439,366 Previous Year 47,264	Current Year 3,100,515 Previous Year 1,001,819	Current Year 9,089,596 Previous Year 11,750,745
10	Family Planning Association of India - Joining voices	Current Year - Previous Year -	Current Year 498,318 Previous Year -	Current Year 1,857 Previous Year -	Current Year 500,175 Previous Year -	Current Year - Previous Year -
11	Bill and Melinda Gates Foundation - Combating violence against women and girls	Current Year - Previous Year -	Current Year 59,427,126 Previous Year -	Current Year 1,645,053 Previous Year -	Current Year 4,487,686 Previous Year -	Current Year 56,584,493 Previous Year -
12	Capital for Good - Leveraging digital media to promote better health for Indian youth	Current Year - Previous Year -	Current Year 18,678,916 Previous Year -	Current Year 195,263 Previous Year -	Current Year 13,190,632 Previous Year -	Current Year 5,683,547 Previous Year -
13	Population Foundation of India - Restricted fund	Current Year 171,428 Previous Year -	Current Year 1,058,240 Previous Year -	Current Year - Previous Year 171,941	Current Year - Previous Year 513	Current Year - Previous Year 171,428
14	New Venture Fund - Organising consultation meetings	Current Year - Previous Year -	Current Year - Previous Year 463,407	Current Year - Previous Year -	Current Year - Previous Year 463,407	Current Year - Previous Year -
15	Department for International Development - Promoting planned families	Current Year - Previous Year (24,560,584)	Current Year - Previous Year 132,447,022	Current Year - Previous Year -	Current Year - Previous Year 107,886,438	Current Year - Previous Year -
16	The David & Lucile Packard Foundation - Advancing sexual and reproductive health	Current Year - Previous Year -	Current Year - Previous Year -	Current Year - Previous Year 44,648	Current Year - Previous Year 1,570,727	Current Year - Previous Year -
17	International Centre for Research on Women - Impact on marriage	Current Year - Previous Year (255,915)	Current Year - Previous Year 564,475	Current Year - Previous Year (13,052)	Current Year - Previous Year 295,508	Current Year - Previous Year -
18	John D and Catherine T MacArthur Foundation - Reducing maternal mortality and morbidity	Current Year 502,858 Previous Year -	Current Year - Previous Year -	Current Year - Previous Year -	Current Year - Previous Year -	Current Year - Previous Year -
	TOTAL (A)	Current Year 151,061,523 Previous Year 145,906,960	Current Year 158,871,597 Previous Year 285,019,556	Current Year 11,552,286 Previous Year 9,202,805	Current Year 167,859,455 Previous Year 289,067,798	Current Year 153,625,951 Previous Year 151,061,523



S.No.	Source of Fund		Balance as at April 1, 2016 Payable/(Receivable) (Refer Note 1)	Receipts during the year	Interest and other income during the year	Transferred to Income and Expenditure Account	Balance as at March 31, 2017 Payable/(Receivable) (Refer Note 1)
			(A) Rs.	(B) Rs.	(C) Rs.	(D) Rs.	(E=A+B+C-D) Rs.
	NON-FOREIGN CONTRIBUTION						
1	National Health Systems Resource Centre - Strengthening community action for health under national health mission	Current Year	(8,213,301)	9,213,301	-	10,889,052	(9,889,052)
		Previous Year	(3,184,049)	7,325,909	-	12,355,161	(8,213,301)
2	State Health Society, National Health Mission, Madhya Pradesh - Production of film to sensitize health service providers and managers on averting maternal deaths	Current Year	25,594	356,730	-	382,324	-
		Previous Year	-	1,426,920	-	1,401,326	25,594
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
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
5	United Nations Population Fund - Saathiya launch kit	Current Year	-	1,122,042	10,923	1,132,965	-
		Previous Year	-	-	-	-	-
6	United Nations Population Fund - Transmedia story telling initiative	Current Year	-	-	-	-	-
		Previous Year	-	8,493,691	27,565	8,521,256	-
7	State Health Society, Bihar - Community based planning and monitoring	Current Year	-	-	-	-	-
		Previous Year	18,404	-	(18,404)	-	-
	TOTAL (B)	Current Year	(5,687,707)	10,692,073	10,923	14,904,341	(9,889,052)
		Previous Year	(665,645)	17,246,520	9,161	22,277,743	(5,687,707)
	GRAND TOTAL (A+B)	Current Year	145,373,816	169,563,670	11,563,209	182,763,796	143,736,899
		Previous Year	145,241,315	302,266,076	9,211,966	311,345,541	145,373,816

Note 1:

Represents liability on account of restricted project funds

Represents receivable from donors for projects (Refer Schedule 10)

Total

As at	
April 1, 2016	163,935,084
	(18,561,268)
	145,373,816

As at	
March 31, 2017	159,734,863
	(15,997,964)
	143,736,899



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2017 Rs.	As at March 31, 2016 Rs.
Schedule 5: Current liabilities		
Advance rent	1,923,447	2,367,580
Security deposit	16,140,165	16,140,165
Payable to partners for grants	642,369	105,000
Payable to subgrantees	572,472	-
Other liabilities	6,651,622	8,976,283
	<u>25,930,075</u>	<u>27,589,028</u>

Schedule 6: Provisions

Provision for leave encashment	2,549,096	2,686,348
Provision for gratuity	-	642,673
	<u>2,549,096</u>	<u>3,329,021</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, 2016	Additions*	Sale / written off	As at March 31, 2017	Upto March 31, 2016	For the Year	Written back	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land - leasehold	475,023	-	-	475,023	152,484	4,798	-	157,282	317,741	322,539
	Previous Year	475,023	-	-	475,023	147,686	4,798	-	152,484	322,539	327,337
2	Building	23,152,554	-	-	23,152,554	17,197,206	297,770	-	17,494,976	5,657,578	5,955,348
	Previous Year	23,152,554	-	-	23,152,554	16,883,766	313,440	-	17,197,206	5,955,348	6,268,787
3	Motor vehicles	1,813,641	857,603	28,208	2,643,036	705,488	294,632	26,658	973,462	1,669,574	1,108,153
	Previous Year	3,904,245	-	2,090,604	1,813,641	2,007,755	277,039	1,579,306	705,488	1,108,153	1,896,490
4	Furniture & fixtures	2,398,979	-	1,288,322	1,110,657	2,027,048	37,060	1,286,983	777,125	333,532	371,931
	Previous Year	2,398,979	-	-	2,398,979	1,985,722	41,326	-	2,027,048	371,931	413,257
5	Equipment	6,239,595	114,700	1,495,693	4,858,602	5,218,801	170,186	1,494,811	3,894,176	964,426	1,020,794
	Previous Year	6,046,100	374,291	180,796	6,239,595	4,873,398	510,321	164,918	5,218,801	1,020,794	1,172,702
6	Computers/printers	1,753,829	373,528	404,774	1,722,583	1,700,170	255,897	404,080	1,551,987	170,596	53,659
	Previous Year	1,695,719	58,110	-	1,753,829	1,619,681	80,489	-	1,700,170	53,659	76,038
7	Temporary wooden partitions	39,363	-	39,363	-	39,363	-	39,363	-	-	-
	Previous Year	39,363	-	-	39,363	39,363	-	-	39,363	-	-
	SUB TOTAL (A)	35,872,984	1,345,831	3,256,360	33,962,455	27,040,560	1,060,343	3,251,895	24,849,008	9,113,447	8,832,424
	Previous Year	37,711,983	432,401	2,271,400	35,872,984	27,557,371	1,227,413	1,744,224	27,040,560	8,832,424	10,154,611
8	Equipment (DFID donated)	10,586,700	-	-	10,586,700	5,881,265	705,815	-	6,587,080	3,999,620	4,705,435
	Previous Year	10,586,700	-	-	10,586,700	3,528,547	2,352,718	-	5,881,265	4,705,435	7,058,153
9	Office equipment - FC	-	837,815	-	837,815	-	125,672	-	125,672	712,143	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
10	Computers/printers - FC	-	604,703	-	604,703	-	362,822	-	362,822	241,881	-
	Previous Year	-	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)	10,586,700	1,442,518	-	12,029,218	5,881,265	1,194,309	-	7,075,574	4,953,644	4,705,435
	Previous Year	10,586,700	-	-	10,586,700	3,528,547	2,352,718	-	5,881,265	4,705,435	7,058,153
	GRAND TOTAL (A + B)	46,459,684	2,788,349	3,256,360	45,991,673	32,921,825	2,254,652	3,251,895	31,924,582	14,067,091	13,537,859
	Previous Year	48,298,683	432,401	2,271,400	46,459,684	31,085,918	3,580,131	1,744,224	32,921,825	13,537,859	17,212,764

* Depreciation on fixed assets, purchased out of foreign donor funds 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, 2017 Rs.	As at March 31, 2016 Rs.
Schedule 8: Investments		
Fixed deposits (Long term)		
- HDFC Ltd	118,000,000	137,731,473
- Dewan Housing Finance Corporation Ltd	57,500,000	27,500,000
- Mahindra & Mahindra Financial Services Ltd.	40,000,000	40,000,000
- PNB Housing Finance Ltd	51,630,136	61,130,136
- Indian Bank	30,000,000	30,000,000
- LIC Housing Finance Ltd	12,000,000	12,000,000
- Bajaj Finance Ltd.	60,000,000	25,000,000
	369,130,136	333,361,609
Schedule 9: Cash and Bank balances		
Cash on hand	28,153	27,751
Balances with scheduled banks		
- in saving accounts	76,415,781	81,087,615
- in deposit accounts	103,400,685	110,947,426
	179,844,619	192,062,792
Schedule 10: Loans and advances		
(Unsecured and considered good, unless otherwise stated)		
Accrued interest income	68,715,960	36,468,903
Income tax recoverable	6,552,392	6,524,812
Advances recoverable in cash or in kind or for value to be received	3,092,085	4,800,682
Security deposits	1,715,700	266,246
Prepaid expenses	1,430,909	1,840,805
Surplus gratuity fund	904,829	-
Advance for Investment	-	20,000,000
Advances for projects funded out of core funds	756,673	1,825,471
Advances to subgrantees	4,399,569	2,101,693
<u>Reimbursable for projects:</u>		
- John Hopkins University - AFP-II	6,108,912	1,059,549
- National Health Systems Resource Centre - CAH	9,889,052	8,213,301
- USAID - HUP	-	5,563,163
- The President & Fellows of Harvard College - MHTF	-	3,725,255
	103,566,081	92,389,880



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Schedule 11: Grant income (Refer schedule 4)		
Grant from FCRA agencies	167,859,455	294,376,478
Grant from non-FCRA agencies	14,904,341	18,304,949
	<u>182,763,796</u>	<u>312,681,427</u>
Schedule 12: Rental income		
Rent from Micronutrients Initiative	22,381,927	20,347,201
Rent from Public Health Foundation of India	9,219,509	3,189,808
	<u>31,601,436</u>	<u>23,537,009</u>
Schedule 13: Interest income		
Interest on bank accounts	900,330	1,250,685
Interest on investments	37,501,030	32,324,918
	<u>38,401,360</u>	<u>33,575,603</u>
Schedule 14.: Other income		
Incentive on investments	503,500	809,595
Service fees	1,024,953	2,291,330
Miscellaneous income	652,372	838,445
	<u>2,180,825</u>	<u>3,939,370</u>



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Schedule 15: Health and family planning expense		
Health of urban poor - USAID	99,651	34,405,291
Repositioning family planning - Packard	3,670,103	4,557,595
Advance family planning - II - John Hopkins University	19,987,209	14,611,025
Realising commitment to family planning - BMGF	57,342,780	36,520,745
Advocacy, communication and accountability - Packard	22,277,385	9,390,547
Maternal health task force - Harvard	697,250	2,305,725
Strengthening capacity of rogi kalyan samitis - MacArthur	3,100,515	745,063
Joining voices - FPAI	500,175	-
Advancing sexual and reproductive health - Packard	-	2,361,378
Saving new born lives - Bal Raksha Bharat	-	725,983
Impact on marriage - ICRW	-	555,992
Reducing maternal and morbidity - MacArthur	-	527,546
Consultation meeting - New Venture Fund	-	463,407
Others	1,229,668	-
	108,904,736	107,170,297
Schedule 16: Behaviour change communication expense		
Entertainment education initiative MKBKSH - BMGF	41,276,401	54,517,117
Saathiya launch kit - UNFPA	1,132,965	-
Violence against women and girls - BMGF	4,487,686	-
Leveraging digital media - Capital for Good	13,190,632	-
Promoting planned families - DFID	-	132,688,551
Trans-media story telling - UNFPA	-	8,521,256
Sensitise health service providers - NHM, MP	-	1,401,326
Others	2,500,000	-
	62,587,684	197,128,250
Schedule 17: Community action for health expense		
Strengthening community action for health - NHSRC	10,889,052	7,163,067
Community based planning and monitoring - SHS, Bihar	-	1,207,160
Others	382,324	12,653
	11,271,376	8,382,880
Schedule 18: Other project expense		
Projects out of PFI own funds:		
(a) Demonstration/action research		
Population stabilisation programme - Save A Mother Foundation *	3,361,084	2,896,278
Mobilising the unreached through boat clinics - Centre for North East Studies & Policy *	1,809,939	2,289,974
Family planning programme to bring about sustainable improvement in the health - Agragami India	881,922	1,205,755
Emerging reproductive rights of women - Sutra *	600,975	619,142
Enhance women's RH and well being and promotes youth awareness and empowerment - Jagori Rural Charitable Trust	-	1,531,873
Repositioning of family planning in PHCs - Karuna Trust	-	406,964
(b) Other project expenses	1,736,527	2,622,995
(c) Project implementation expenses	10,676,959	11,335,494
	19,067,406	22,908,475

* Recorded based on audited certificate



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2017 Rs.	For the year ended March 31, 2016 Rs.
Schedule 19: Management and administrative expenses		
Salaries and benefits	3,230,623	4,094,873
Staff welfare	606,994	59,465
Tour, travelling and conveyance expense	360,675	91,872
Communication expense	42,158	49,374
Printing and stationery expense	291,659	31,826
Consultancy fee	590,782	165,769
Legal and professional expense	456,772	47,183
Audit fees	615,250	104,087
Statutory charges	850,623	222,296
Bank charges	5,373	1,507
Office running expense	1,720,314	364,485
Electricity and water expense	1,146,087	238,698
Insurance	50,309	78,167
Assets written off	2,915	12,637
Miscellaneous expense	438,661	27,924
	10,409,195	5,590,163



Population Foundation of India

Schedule 20: 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 12(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.
 - Service Tax Registration No. AAATP0002FSD001
 - 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.
 - GSTIN – 07AAATP0002F1ZA

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.



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(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 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.

Fixed Assets purchased specifically by PFI for projects/programs implemented by sub-grantees are accounted for as project / program expenses when such fixed assets are purchased by PFI / Sub-grantee.

(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.

(b) Interest income

Interest income is recognized using time proportion method, based on the rate implicit in the transaction.

(c) Rental income

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

(d) 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) Grant expenses

Grant 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 the 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, mediclaim insurance and gratuity. PFI's contribution to the provident fund, leave encashment 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.

(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) **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.



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

- (xi) Project expenses includes expenses allocated between projects on suitable basis. Nature wise summary of expenses shown under schedule 15, 16 and 17 is given below: -

Summary of Expense - Schedule 15, 16 & 17	Amount (Rs.)
Salary and staff welfare	56,289,446
Consultancy and professional fee	35,351,113
Office running	8,125,114
Meeting and consultation	5,056,761
Printing and stationery	2,867,503
Travel	18,499,781
Communication	1,499,700
Production	31,051,451
Research and evaluation	11,450,546
Sub-grant	10,711,205
Others	1,861,176
	182,763,796


- (xii) During the year a sum of Rs. 64,952,017 (previous year Rs. 72,048,881) 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.

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

For Population Foundation of India


Raam Kumar
Director (F & A)


Poonam Muttreja
Executive Director


Keshav Desiraju
Chairman, Governing Board



Place: New Delhi

Date: September 20, 2017

