

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, 2019 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, 2019 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.

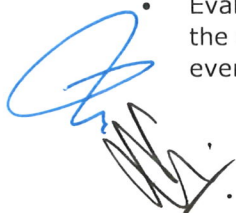
The Governing Board is also responsible for overseeing the Foundation's financial reporting process.

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 Foundation'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.



Deloitte Haskins & Sells LLP

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:19105546AAAACE9316



GURUGRAM, SEPTEMBER 2, 2019

POPULATION FOUNDATION OF INDIA
Balance Sheet as at March 31, 2019

Particulars	Schedule	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
SOURCES OF FUNDS			
CAPITAL			
Corpus fund	1	50,000,000	50,000,000
Society fund	2	515,474,785	476,354,704
DEFERRED GRANT	3	3,550,026	4,380,100
LIABILITIES AND PROVISIONS			
Restricted project fund	4	236,739,137	85,351,294
Current liabilities	5	25,707,241	23,714,094
Provisions	6	2,767,978	3,959,444
		<u>834,239,167</u>	<u>643,759,636</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Net block	7	12,017,471	13,814,497
INVESTMENTS	8	510,000,000	404,130,136
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and bank balances	9	250,697,806	94,531,150
Loans and advances	10	61,523,890	131,283,853
		<u>834,239,167</u>	<u>643,759,636</u>
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 : Gurugram
Date : September 2, 2019

Place : New Delhi
Date : September 2, 2019



POPULATION FOUNDATION OF INDIA
Income and Expenditure Account for the year ended March 31, 2019

Particulars	Schedule	For the year ended March 31, 2019 Rs.	For the year ended March 31, 2018 Rs.
INCOME			
Grant income	11	272,008,298	211,863,456
Donation income	12	-	7,500,000
Rental income	13	30,742,800	30,876,305
Interest income	14	39,023,411	41,745,248
Other income	15	5,536,957	3,192,426
		<u>347,311,466</u>	<u>295,177,435</u>
EXPENDITURE			
Health and family planning expense	16	118,571,128	81,633,063
Behaviour change communication expense	17	119,890,507	96,233,525
Community action for health expense	18	33,546,663	33,996,868
Other project expense	19	22,347,420	17,253,234
Management and administrative expense	20	12,766,462	11,564,599
Depreciation	7	1,069,205	1,581,691
		<u>308,191,385</u>	<u>242,262,980</u>
Excess of Income over Expenditure		39,120,081	52,914,455

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

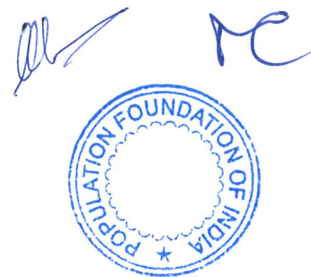
Place : Gurugram
Date : September 2, 2019

Place : New Delhi
Date : September 2, 2019



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

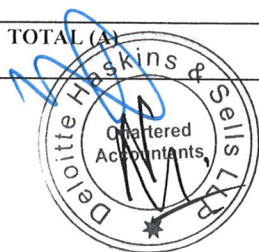
Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Schedule 1: Corpus fund		
Opening balance	50,000,000	50,000,000
Transaction during the year	-	-
Closing balance	<u>50,000,000</u>	<u>50,000,000</u>
Schedule 2: Society fund		
Opening balance	476,354,704	423,440,249
Add: Excess of income over expenditure	39,120,081	52,914,455
Closing balance	<u>515,474,785</u>	<u>476,354,704</u>
Schedule 3: Deferred grant		
Opening balance	4,380,100	4,953,644
Add: Purchase of assets out of donor funds (Refer schedule 7)	2,515,727	695,871
Less: Assets written off out of above	1,582,899	-
Less: Depreciation on assets	1,762,902	1,269,415
Closing balance	<u>3,550,026</u>	<u>4,380,100</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, 2018 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, 2019 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	2,722,177	18,769,714	-	99,418	18,602,803	2,988,506
		Previous Year	(6,108,912)	29,586,221	-	35,810	20,790,942	2,722,177
2	Bill and Melinda Gates Foundation - Realizing commitments to family planning	Current Year	47,876,049	49,081,543	-	1,875,919	73,342,030	25,491,481
		Previous Year	51,678,355	48,975,051	-	3,303,508	56,080,865	47,876,049
3	The David & Lucile Packard Foundation - Advocacy, communication and accountability programme	Current Year	15,371,350	-	-	445,323	15,816,673	-
		Previous Year	36,197,882	-	-	1,662,135	22,488,667	15,371,350
4	John D and Catherine T MacArthur Foundation - Scaling up phase IV	Current Year	5,215,222	7,578,747	-	473,507	7,281,975	5,985,501
		Previous Year	9,089,596	-	-	449,757	4,324,131	5,215,222
5	Bill and Melinda Gates Foundation - Combating violence against women and girls	Current Year	8,961,694	-	-	223,291	9,184,985	-
		Previous Year	56,584,493	22,452,757	-	2,394,521	72,470,077	8,961,694
6	The David & Lucile Packard Foundation - Network strengthening and strategic planning of ARC Coalition	Current Year	2,704,802	-	-	118,585	2,659,765	163,622
		Previous Year	-	2,924,955	-	67,347	287,500	2,704,802
7	Bill and Melinda Gates Foundation - Family planning serial - Main Kuch Bhi Kar Sakti Hoon	Current Year	-	160,976,700	-	4,611,817	52,133,538	113,454,979
		Previous Year	-	-	-	-	-	-
8	Children's Investment Fund Foundation - Expanding the quality of and access to adolescent reproductive health services	Current Year	-	21,630,892	-	580,338	11,135,735	11,075,495
		Previous Year	-	-	-	-	-	-
9	Children's Investment Fund Foundation - Youth-led Action for Sex Education	Current Year	-	21,958,237	-	522,488	3,709,230	18,771,495
		Previous Year	-	-	-	-	-	-
10	Children's Investment Fund Foundation - Matrix of change - adolescents	Current Year	-	7,251,302	-	115,367	1,294,094	6,072,575
		Previous Year	-	-	-	-	-	-
11	The David & Lucile Packard Foundation - Elevating beneficiary voices in advocacy	Current Year	-	3,589,391	-	82,785	195,623	3,476,553
		Previous Year	-	-	-	-	-	-
12	The David & Lucile Packard Foundation - Community based monitoring of health services	Current Year	-	49,373,678	-	547,896	5,293,853	44,627,721
		Previous Year	-	-	-	-	-	-
13	Capital for Good - Leveraging digital media to promote better health for Indian youth	Current Year	-	-	-	-	-	-
		Previous Year	5,683,547	17,831,961	-	247,940	23,763,448	-
14	Save the Children: Bal Raksha Bharat - Saving new born lives in India	Current Year	-	-	-	-	-	-
		Previous Year	351,365	-	351,365	-	-	-
15	The David & Lucile Packard Foundation - Advocacy for change - Repositioning of family planning	Current Year	-	-	-	-	-	-
		Previous Year	149,625	-	-	-	149,625	-
TOTAL (A)		Current Year	82,851,294	340,210,204	-	9,696,734	200,650,304	232,107,928
		Previous Year	153,625,951	121,770,945	351,365	8,161,018	200,355,255	82,851,294



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S.No.	Source of Fund		Balance as at April 1, 2018 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, 2019 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	(6,734,636)	14,954,959	-		12,240,514	(4,020,191)
		Previous Year	(9,889,052)	14,662,617	-		11,508,201	(6,734,636)
2	REC Foundation - Sanitation serial - Main Kuch Bhi Kar Sakti Hoon	Current Year	-	54,096,260	-	344,377	52,309,428	2,131,209
		Previous Year	-	-	-	-	-	-
3	BFL Investment and Financial Consultants Pvt Ltd - CSR grant	Current Year	1,250,000	1,250,000	-	-	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	-	-	1,250,000	1,250,000
		Previous Year	-	1,250,000	-	-	-	1,250,000
5	United Nations Population Fund - Developing artificial intelligence based chat-bot	Current Year	-	4,383,178	101,591	26,465	4,308,052	-
		Previous Year	-	-	-	-	-	-
	TOTAL (B)	Current Year	(4,234,636)	75,934,397	101,591	370,842	71,357,994	611,018
		Previous Year	(9,889,052)	17,162,617	-	-	11,508,201	(4,234,636)
	GRAND TOTAL (A+B)	Current Year	78,616,658	416,144,601	101,591	10,067,576	272,008,298	232,718,946
		Previous Year	143,736,899	138,933,562	351,365	8,161,018	211,863,456	78,616,658

* Unutilised grant amount was returned to United Nations Population Fund during the 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, 2018

85,351,294

(6,734,636)

78,616,658

As at
March 31, 2019

236,739,137

(4,020,191)

232,718,946



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
Schedule 5: Current liabilities		
Advance rent	1,649,375	1,649,375
Security deposit	14,442,075	13,013,775
Payable to partners for grants	264,391	10,940
Payable to subgrantees	499,888	197,096
Other liabilities	8,851,512	8,842,908
	<u>25,707,241</u>	<u>23,714,094</u>

Schedule 6: Provisions

Provision for leave encashment	2,767,978	3,241,598
Provision for gratuity	-	717,846
	<u>2,767,978</u>	<u>3,959,444</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, 2018	Additions	Sale / written off	As at March 31, 2019	Upto March 31, 2018	For the Year	Adjustment on sale/ write off	Upto March 31, 2019	As at March 31, 2019	As at March 31, 2018
	PFI funded		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land - leasehold	Current Year	475,023	-	-	475,023	162,080	4,798	-	166,878	308,145	312,943
		Previous Year	475,023	-	-	475,023	157,282	4,798	-	162,080	312,943	
2	Building	Current Year	23,152,554	-	-	23,152,554	17,777,868	268,735	-	18,046,603	5,105,951	5,374,686
		Previous Year	23,152,554	-	-	23,152,554	17,494,976	282,892	-	17,777,868	5,374,686	
3	Motor vehicles	Current Year	2,643,036	-	-	2,643,036	1,223,898	212,871	-	1,436,769	1,206,267	1,419,138
		Previous Year	2,643,036	-	-	2,643,036	973,462	250,436	-	1,223,898	1,419,138	
4	Furniture & fixtures	Current Year	1,198,464	-	26,998	1,171,466	819,257	37,310	20,873	835,694	335,772	379,207
		Previous Year	1,110,657	87,807	-	1,198,464	777,125	42,132	-	819,257	379,207	
5	Equipment	Current Year	5,423,004	140,354	909,127	4,654,231	3,971,443	229,526	847,408	3,353,561	1,300,670	1,451,561
		Previous Year	4,858,602	754,702	190,300	5,423,004	3,894,176	256,149	178,882	3,971,443	1,451,561	
6	Computers/printers	Current Year	2,497,797	34,073	323,353	2,208,517	2,000,935	315,965	319,023	1,997,877	210,640	496,862
		Previous Year	1,722,583	1,074,764	299,550	2,497,797	1,551,987	745,284	296,336	2,000,935	496,862	
	SUB TOTAL (A)	Current 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	9,434,397
		Previous Year	33,962,455	1,917,273	489,850	35,389,878	24,849,008	1,581,691	475,218	25,955,481	9,434,397	
	Foreign currency donor funded*											
7	Equipment (DFID donated)	Current Year	10,586,700	-	4,891,400	5,695,300	7,187,023	274,338	3,320,639	4,140,722	1,554,578	3,399,677
		Previous Year	10,586,700	-	-	10,586,700	6,587,080	599,943	-	7,187,023	3,399,677	
8	Office equipment	Current Year	837,815	522,524	16,800	1,343,539	232,493	167,358	4,662	395,189	948,350	605,322
		Previous Year	837,815	-	-	837,815	125,672	106,821	-	232,493	605,322	
9	Computers/printers	Current Year	1,300,574	1,793,654	-	3,094,228	925,473	1,301,252	-	2,226,725	867,503	375,101
		Previous Year	604,703	695,871	-	1,300,574	362,822	562,651	-	925,473	375,101	
10	Furnitures & fixture	Current Year	-	199,549	-	199,549	-	19,954	-	19,954	179,595	-
		Previous Year	-	-	-	-	-	-	-	-	-	
	SUB TOTAL (B)	Current 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	4,380,100
		Previous Year	12,029,218	695,871	-	12,725,089	7,075,574	1,269,415	-	8,344,989	4,380,100	
	GRAND TOTAL (A + B)	Current 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	13,814,497
		Previous Year	45,991,673	2,613,144	489,850	48,114,967	31,924,582	2,851,106	475,218	34,300,470	13,814,497	

* 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, 2019 Rs.	As at March 31, 2018 Rs.
Schedule 8: Investments		
Fixed deposits (Long term)		
- Housing Development Finance Corp Limited	133,000,000	20,000,000
- GRUH Finance Limited	162,000,000	157,500,000
- PNB Housing Finance Limited	158,000,000	146,630,136
- Bajaj Finance Limited	35,000,000	60,000,000
- LIC Housing Finance Limited	22,000,000	-
- Mahindra & Mahindra Financial Services Limited	-	20,000,000
	510,000,000	404,130,136
Schedule 9: Cash and Bank balances		
Cash on hand	9,856	35,257
Balances with scheduled banks		
- in saving accounts	250,687,950	94,495,893
	250,697,806	94,531,150
Schedule 10: Loans and advances		
(Unsecured and considered good, unless otherwise stated)		
Accrued interest income	32,920,958	48,866,478
Income tax recoverable	8,057,678	7,980,609
Advances recoverable in cash or in kind or for value to be received	595,251	895,740
Security deposits	1,968,573	1,831,846
Prepaid expenses	1,902,554	1,974,342
Surplus gratuity fund	182,493	-
Advances for projects funded out of core funds	1,121,951	704,168
Advances to subgrantees	10,754,241	2,296,034
<u>Reimbursable for projects:</u>		
- National Health Systems Resource Centre - CAH	4,020,191	6,734,636
Advance for Investment	-	60,000,000
	61,523,890	131,283,853



POPULATION FOUNDATION OF INDIA

Schedules forming part of the accounts

Particulars	For the year ended March 31, 2019 Rs.	For the year ended March 31, 2018 Rs.
Schedule 11: Grant income (Refer schedule 4)		
Grant from FCRA agencies	200,650,304	200,355,255
Grant from non-FCRA agencies	71,357,994	11,508,201
	<u>272,008,298</u>	<u>211,863,456</u>
Schedule 12: Donation income		
Donation	-	7,500,000
	<u>-</u>	<u>7,500,000</u>
Schedule 13: Rental income		
Rent from Nutrition International	19,792,500	20,888,788
Rent from John Snow India Pvt. Ltd.	10,950,300	8,464,000
Rent from Public Health Foundation of India	-	1,523,517
	<u>30,742,800</u>	<u>30,876,305</u>
Schedule 14: Interest income		
Interest on bank accounts	743,136	962,489
Interest on investments	37,776,006	40,782,759
Interest on income tax refund	504,269	-
	<u>39,023,411</u>	<u>41,745,248</u>
Schedule 15: Other income		
Incentive on investments	-	1,450,000
Miscellaneous income	5,536,957	1,742,426
	<u>5,536,957</u>	<u>3,192,426</u>



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2019 Rs.	For the year ended March 31, 2018 Rs.
Schedule 16: Health and family planning expense (Refer Schedule 21-Note 2 (xii))		
Advance family planning - II - John Hopkins University	18,602,803	20,790,942
Realising commitment to family planning - Bill and Melinda Gates Foundation	73,342,030	56,080,865
Strengthening capacity of rogi kalyan samitis - John D and Catherine T MacArthur Foundation	7,281,975	4,324,131
Network strengthening and strategic planning of ARC Coalition - The David & Lucile Packard Foundation	2,659,765	287,500
Expanding the quality of and access to adolescent reproductive services- Children's Investment Fund Foundation	11,135,735	-
Youth-led Action for Sex Education - Children's Investment Fund Foundation	3,709,230	-
Matrix of change - Children's Investment Fund Foundation	1,294,094	-
Repositioning family planning - The David & Lucile Packard Foundation	-	149,625
Other health and family planning expense	545,496	-
	118,571,128	81,633,063
Schedule 17: Behaviour change communication expense (Refer Schedule 21-Note 2 (xii))		
Violence against women and girls - Bill and Melinda Gates Foundation	9,184,985	72,470,077
Entertainment education initiative MKBKSH - Bill and Melinda Gates Foundation	52,133,538	-
Entertainment education initiative MKBKSH - REC Foundation	52,309,428	-
Developing artificial intelligence based chat-bot - United Nations Population Fund	4,308,052	-
Leveraging digital media - Capital for Good	-	23,763,448
Other behaviour change communication expense	1,954,504	-
	119,890,507	96,233,525
Schedule 18: Community action for health expense (Refer Schedule 21-Note 2 (xii))		
Strengthening community action for health - National Health Systems Resource Centre	12,240,514	11,508,201
Advocacy, communication and accountability - The David & Lucile Packard Foundation	15,816,673	22,488,667
Community based monitoring systems - The David & Lucile Packard Foundation	5,293,853	-
Elevating beneficiary voices in advocacy - The David & Lucile Packard Foundation	195,623	-
	33,546,663	33,996,868



POPULATION FOUNDATION OF INDIA
Schedules forming part of the accounts

Particulars	For the year ended March 31, 2019 Rs.	For the year ended March 31, 2018 Rs.
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	2,494,232	2,298,674
Family planning programme to bring about sustainable improvement in the health - Agragami India	578,383	539,020
Generating awareness and discourse on including informed consent - South India Aids Action Programme	656,215	-
(b) Other project expenses	1,798,446	1,869,502
(c) Project implementation expenses	16,820,144	12,546,038
	22,347,420	17,253,234

Schedule 20: Management and administrative expenses*

Salaries and benefits	4,100,369	3,841,995
Staff welfare	486,470	644,188
Tour, travelling and conveyance expense	347,721	359,083
Communication expense	45,026	45,044
Printing and stationary expense	238,115	210,799
Consultancy fee	224,301	422,620
Legal and professional expense	255,991	341,015
Statutory audit fees	803,008	724,050
Statutory charges	854,700	866,743
Bank charges	135	5,175
Office running expense	3,921,842	2,737,851
Electricity and water expense	1,189,039	1,075,810
Insurance	50,905	54,144
Assets written off	33,913	14,632
Miscellaneous expense	214,927	221,450
	12,766,462	11,564,599

*Excluding the expenses charged to Projects, funded by International and other agencies (Refer Schedule 21-Note 2(xii)).



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 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.
 - Goods and Service Tax Registration No. 07AAATP0002F1ZA
 - PF Registration No. DS/NHP/0003219/000
 - ESIC 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) 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 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 recognised Rs. 4,772,160 (year ended 31 March 2018, Rs. 4,093,708) for Provident Fund contributions and Rs. 57,544 (year ended 31 March 2018, Rs. 70,446) 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:

- i. Gratuity
- ii. Leave encashment

The liability for Gratuity of Rs. 10,761,374 (year ended 31 March 2018, Rs. 9,330,305), the expenditure of Rs. 1,176,882 (year ended 31 March 2018, of Rs. 1,729,731), the fund balance of Rs. 10,943,867 (year ended 31 March 2018, Rs. 8,612,459) and the liability for Leave encashment of Rs. 2,767,978 (year ended 31 March 2018, Rs. 3,241,598), the expenditure of Rs. (-)414,031 (year ended 31 March 2018, Rs. 1,132,807) has been determined by actuarial valuation.

(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:

- 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, 2019, PFI does not have any pending litigation.

The Hon'ble Supreme Court in a recent ruling has passed a judgement on the definition and scope of 'Basic Wages' under the Employees' Provident Funds and Miscellaneous Provision Act, 1952. Pending issuance of guidelines by the regulatory authorities on the application of this ruling, the impact on PFI, if any, cannot be ascertained. PFI will update its provision, on receiving further clarity on this subject matter.



(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 2018-19 Amount (Rs.)	FY 2017-18 Amount (Rs.)
Salary and staff welfare	89,709,849	73,926,735
Consultancy and professional fee	38,608,924	34,679,127
Program promotion	17,478,766	31,765,617
Office running	11,894,930	10,510,777
Meeting and consultation	25,61,317	2,659,391
Printing and stationary	2,258,880	2,147,009
Travel	17,615,362	11,454,571
Communication	1,690,476	1,757,164
Production	70,763,320	33,424,124
Research and evaluation	13,702,476	10,628,439
Grant	5,527,276	4,325,282
Sub-grant	9,955,604	7,275,033
Purchase of fixed assets	2,515,727	695,871
Others	10,072,810	3,867,550
Total	294,355,717	229,116,690

(xiii) During the year a sum of Rs. 94,037,459 (previous year Rs. 77,161,088) 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 2, 2019

