

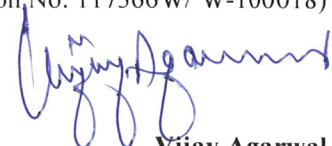
CERTIFICATE

We have audited the financial statements, consisting the Balance sheet as at March 31, 2017, the Income and Expenditure account, the Receipts and Payments account for the year ended on March 31, 2017 and related schedule of **Population Foundation of India ("the Foundation"), B-28, Qutub Institutional Area, New Delhi -110016** for the year ended 31st March, 2017 and examined all relevant books and vouchers and certify that according to the audited account and based on our comments provided in the attached notes:

- (i) the brought forward foreign contribution at the beginning of the financial year was **Rs. 171,571,070;**
- (ii) foreign contribution of **Rs. 158,871,597** was received by the Foundation during the financial year **2016-2017;**
- (iii) interest and other income derived from foreign contribution of **Rs. 8,979,297** was received by the Foundation during the year **2016-2017;**
- (iv) the balance of unutilised foreign contribution with the Foundation at the end of the financial year **2016-2017** was **Rs. 164,491,509;**
- (v) Certified that the Foundation has maintained the accounts of foreign contribution and records relating thereto in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011.
- (vi) Based on such checks and tests considered and performed by us, the information furnished in the certificate and in the enclosed Balance Sheet and Statement of Receipt and Payments appears to be correct in all material respects.
- (vii) The Foundation has utilized the foreign contribution received for the purpose(s) it is registered under Foreign Contribution (Regulation) Act, 2010.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No: 117366W/ W-100018)



Vijay Agarwal
(Partner)

(Membership No: 094468)

Place: Gurugram

Date: *SEP 29, 2017*



Deloitte Haskins & Sells LLP

Notes to Certificate:

1. This certificate is issued in accordance with the terms of our engagement letter dated November 11, 2016.

Management's Responsibility

2. The preparation of the accompanying financial statements and FORM FC-4 is the responsibility of the Management of the Foundation. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Form, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management of the Foundation is also responsible for compliance of the provisions of the Foreign Contribution (Regulation) Act, 2010, rules, notifications/ orders issued there under from time to time.

Auditor's Responsibility

4. We have examined the books of account and other relevant records and documents maintained by the Foundation as a part of our audit as at and for the year ended March 31, 2017 for the purpose of providing reasonable assurance on the particulars mentioned in the certificate.
5. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing issued by ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

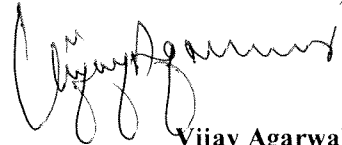
Restriction on Use

7. The certificate has been provided by Deloitte Haskins & Sells LLP at the request of the Foundation and prepared for the purpose of submission to the Ministry of Home Affairs on a confidential basis. This certificate is not intended for general circulation or publication and is not to be reproduced or used for any purpose, other than for the purpose stated above. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

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



Vijay Agarwal

(Partner)

(Membership No: 094468)

Place Gurugram

Date: SEP 20, 2017



POPULATION FOUNDATION OF INDIA
Balance Sheet as at March 31, 2017
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)

| Particulars | Schedule | As at March 31, 2017 Rs. |
|---|----------|--------------------------------|
| SOURCES OF FUNDS | | |
| DEFERRED GRANT | 1 | 4,953,644 |
| LIABILITIES AND PROVISIONS | | |
| Restricted project fund | 3 | 159,734,863 |
| Current liabilities | 2 | 18,414,212 |
| | | <u><u>183,102,719</u></u> |
| APPLICATION OF FUNDS | | |
| FIXED ASSETS | | |
| Net block | 4 | 4,953,644 |
| CURRENT ASSETS, LOANS AND ADVANCES | | |
| Cash and bank balances | 5 | 164,491,509 |
| Loans and advances | 6 | 13,657,566 |
| | | <u><u>183,102,719</u></u> |

Significant accounting policies and notes to the accounts 10

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



Place : Gurugram
Date : SEP 29, 2017

Place : New Delhi
Date : September 20, 2017



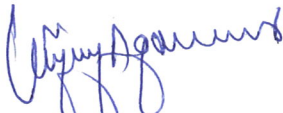
POPULATION FOUNDATION OF INDIA
Income and Expenditure Account for the year ended March 31, 2017
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)

| Particulars | Schedule | For the year ended March 31, 2017 Rs. |
|---|----------|---|
| INCOME | | |
| Grant income | 7 | 167,859,455 |
| | | 167,859,455 |
| EXPENDITURE | | |
| Health and family planning expense | 8 | 108,904,736 |
| Behaviour change communication expense | 9 | 58,954,719 |
| | | 167,859,455 |
| Excess of income over expenditure | | - |
| Significant accounting policies and notes to the accounts | 10 | |

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



Place : Gurugram
Date : SEP 20, 2017

Place : New Delhi
Date : September 20, 2017



POPULATION FOUNDATION OF INDIA

Receipts and Payments account for the year ended March 31, 2017

(Financial Statements under Foreign Contribution (Regulation) Act, 2010)

| RECEIPTS | Rs. | PAYMENTS | Rs. |
|--|--------------------|---|--------------------|
| Opening balance as at April 1, 2016 | | Program payments | |
| - with Indian Overseas Bank, New Delhi | | Health of urban poor - USAID | 5,664,707 |
| - with Indian Overseas Bank, Bhubaneswar, Orissa | 171,569,177 | Repositioning family planning - Packard | 3,419,047 |
| - with Indian Overseas Bank, Bhopal, Madhya Pradesh | 1,581 | Advance family planning - II - John Hopkins University | 12,283,640 |
| Grants received | 312 | Realising commitment to family planning - BMGF | 53,343,733 |
| | | Advocacy, communication and accountability - Packard | 17,220,032 |
| | | Maternal health task force - Harvard | 7,439,928 |
| USAID - Health of the Urban Poor | 5,651,255 | Strengthening capacity of rogi kalyan samitis - MacArthur | 2,783,171 |
| Johns Hopkins University, Bloomberg School of Public Health - Advance Family Planning - II | 14,856,919 | Joining voices - FPAI | 500,175 |
| Bill and Melinda Gates Foundation - Realising Commitments to Family Planning | 27,595,836 | Entertainment education initiative MKBKS - BMGF | 37,160,380 |
| The David & Lucile Packard Foundation - Advocacy, Communication and Accountability Programme | 26,682,482 | Combating violence against women and girls - BMGF | 3,138,093 |
| The President and Fellows of Harvard College - Maternal Health Task Force | 5,480,745 | Leveraging digital media - Capital for Good | 8,560,377 |
| Family Planning Association of India - Joining Voices | 498,318 | Others | 1,229,668 |
| Bill and Melinda Gates Foundation - Combating Violence against Women and Girls | 59,427,126 | Administrative expenses | 20,744,986 |
| Capital for Good - Leveraging Digital media | 18,678,916 | Fixed asset purchased | 1,442,518 |
| Interest earned | 8,973,685 | Closing balance as at March 31, 2017 | |
| Miscellaneous income | 5,612 | - with Indian Bank, New Delhi | 164,491,509 |
| | 339,421,964 | | 339,421,964 |

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Vijay Agarwal
Vijay Agarwal
 Partner



Place : Gurugram

Date : **SEP 20, 2017**

For Population Foundation of India

Raam Kumar
Raam Kumar
 Director (F&A)

Poonam Muttreja
Poonam Muttreja
 Executive Director



Place : New Delhi

Date : September 20, 2017

POPULATION FOUNDATION OF INDIA
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)
Schedules forming part of the accounts

| Particulars | As at March 31, 2017 Rs. |
|--|--------------------------------|
| Schedule 1: Deferred grant | |
| Opening Balance | 4,705,435 |
| Add: Purchase of assets out of donor funds (Refer schedule 4) | 1,442,518 |
| Less: Depreciation on assets | 1,194,309 |
| | <u><u>4,953,644</u></u> |

Schedule 2: Current liabilities

| | |
|------------------------|--------------------------|
| Interproject balances | 13,188,733 |
| Payable to subgrantees | 572,472 |
| Other liabilities | 4,653,007 |
| | <u><u>18,414,212</u></u> |



POPULATION FOUNDATION OF INDIA
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)
Schedules forming part of the accounts

Schedule 3: Restricted Project Fund

| S.No. | Source of Fund | Balance as at April 1, 2016 Payable/ (Receivable) (Refer Note 1) | Adjustment* | Receipts during the year | Interest & 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) | (C) Rs. | (D) Rs. | (E) Rs. | (F=A+B+C+D-E) Rs. |
| | FOREIGN CONTRIBUTION UNDER FCRA | | | | | | |
| 1 | United States Agency for International Development - Health of the urban poor | 1,894 | (5,565,057) | 5,651,255 | 11,559 | 99,651 | - |
| 2 | The David & Lucile Packard Foundation - Advocacy for change - Repositioning of family planning | 3,760,030 | (25,219) | - | 84,917 | 3,670,103 | 149,625 |
| 3 | Johns Hopkins University, Bloomberg School of Public Health - Advance family planning - II | 17,092 | (1,076,641) | 14,856,919 | 80,927 | 19,987,209 | (6,108,912) |
| 4 | Bill and Melinda Gates Foundation - Realizing commitments to family planning | 79,993,929 | (3,965,979) | 27,595,836 | 5,397,350 | 57,342,780 | 51,678,356 |
| 5 | Bill and Melinda Gates Foundation - Family planning serial - MKBKSH | 42,164,935 | (3,115,018) | - | 2,226,484 | 41,276,401 | - |
| 6 | Save the Children: Bal Raksha Bharat - Saving new born lives in India | 345,752 | 1 | - | 5,612 | - | 351,365 |
| 7 | The David & Lucile Packard Foundation - Advocacy, communication and accountability programme | 29,996,755 | 332,131 | 26,682,482 | 1,463,898 | 22,277,385 | 36,197,881 |
| 8 | The President and Fellows of Harvard College - Maternal health task force | 3,111,754 | (6,837,009) | 4,422,505 | - | 697,250 | - |
| 9 | John D and Catherine T MacArthur Foundation - Scaling up phase IV | 12,007,501 | (256,756) | - | 439,366 | 3,100,515 | 9,089,596 |
| 10 | Family Planning Association of India - Joining voices | - | - | 498,318 | 1,857 | 500,175 | - |
| 11 | Bill and Melinda Gates Foundation - Combating violence against women and girls | - | - | 59,427,126 | 1,645,053 | 4,487,686 | 56,584,493 |
| 12 | Capital for Good - Leveraging digital media to promote better health for Indian youth | - | - | 18,678,916 | 195,263 | 13,190,632 | 5,683,547 |
| 13 | Population Foundation of India - Restricted fund | 171,428 | - | 1,058,240 | - | 1,229,668 | - |
| | TOTAL | 171,571,070 | (20,509,547) | 158,871,597 | 11,552,286 | 167,859,455 | 153,625,951 |

* Adjustment is on account of reclassifications of payables/(receivables) as on April 1, 2016 pertaining to respective donor project fund.

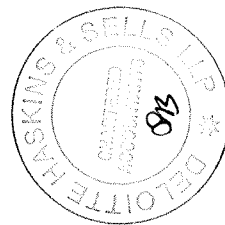
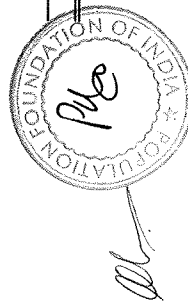
Note 1:

Represents liability on account of donor funds

Represents receivable from donors for projects (Refer Schedule 6)

Total

159,734,863
(6,108,912)
153,625,951

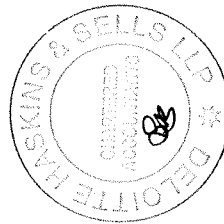


POPULATION FOUNDATION OF INDIA
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)
Schedules forming part of the accounts

Schedule 4: 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 |
| | | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| 1 | Equipment (DFID Donated) | 10,586,700 | - | - | 10,586,700 | 5,881,265 | 705,815 | - | 6,587,080 | 3,999,620 |
| 2 | Office equipment - FC | - | 837,815 | - | 837,815 | - | 125,672 | - | 125,672 | 712,143 |
| 3 | Computers/printers - FC | - | 604,703 | - | 604,703 | - | 362,822 | - | 362,822 | 241,881 |
| | TOTAL | 10,586,700 | 1,442,518 | - | 12,029,218 | 5,881,265 | 1,194,309 | - | 7,075,574 | 4,953,644 |

* Depreciation on fixed assets, purchased out of Foreign donor funds has been adjusted against Deferred Grant created for the same. (Refer schedule 1)



POPULATION FOUNDATION OF INDIA
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)
Schedules forming part of the accounts

| Particulars | As at March 31, 2017 Rs. |
|---|--------------------------------|
| Schedule 5: Cash and bank balances | |
| Cash on hand | |
| Balances with scheduled banks | |
| - in saving accounts | 70,990,824 |
| - in deposit accounts | 93,500,685 |
| | <u>164,491,509</u> |

Schedule 6: Loans and advances

(Unsecured and considered good, unless otherwise stated)

Reimbursable for projects:

- John Hopkins University - AFP-II 6,108,912

Advance to subgrantees 4,399,569

Advances recoverable in cash or in kind or for value to
be received 536,096

Security deposits 40,000

Accrued interest 2,572,989

13,657,566



POPULATION FOUNDATION OF INDIA
(Financial Statements under Foreign Contribution (Regulation) Act, 2010)
Schedules forming part of the accounts

| Particulars | For the year ended March 31, 2017 Rs. |
|---|---|
| Schedule 7: Grant income | |
| Grant from FCRA agencies | 167,859,455 |
| | <u>167,859,455</u> |
| Schedule 8: Health and family planning expense | |
| Health of urban poor - USAID | 99,651 |
| Repositioning family planning - Packard | 3,670,103 |
| Advance family planning - II - John Hopkins University | 19,987,209 |
| Realising commitment to family planning - BMGF | 57,342,780 |
| Advocacy, communication and accountability - Packard | 22,277,385 |
| Maternal health task force - Harvard | 697,250 |
| Strengthening capacity of rogi kalyan samitis - MacArthur | 3,100,515 |
| Joining voices - FPAI | 500,175 |
| Others | 1,229,668 |
| | <u>108,904,736</u> |
| Schedule 9: Behaviour change communication expense | |
| Entertainment education initiative MKBKSH - BMGF | 41,276,401 |
| Violence against women and girls - BMGF | 4,487,686 |
| Leveraging digital media - Capital for Good | 13,190,632 |
| | <u>58,954,719</u> |



Population Foundation of India

(Financial Statements under Foreign Contribution (Regulation) Act, 2010)

Schedule 10: 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.



(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-grantees.

- (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.



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(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) 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;
- b. Projects carried out by other organisations out of donor funds as subgrantee.

Expenses carried out by PFI out of donor funds, are booked on accrual basis. In respect of expenditure incurred by grantees on projects funded by PFI 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.

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

(vi) 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.



A handwritten signature in blue ink, consisting of a stylized 'M' followed by a horizontal line.



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

(vii) 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.

(viii) 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.

- (ix) Project expenses includes expenses allocated between projects on suitable basis. Nature wise summary of expenses shown under schedule 8 and 9 is given below: -

| Summary of Expense - Schedule 8 & 9 | Amount (Rs.) |
|-------------------------------------|--------------------|
| Salary and Staff welfare | 49,532,237 |
| Consultancy and professional fee | 34,845,219 |
| Office Running | 8,008,307 |
| Meeting & Consultation | 3,681,039 |
| Printing & stationery | 2,025,724 |
| Travel | 16,347,491 |
| Communication | 1,361,967 |
| Production | 30,553,836 |
| Research & evaluation | 8,950,546 |
| Sub-grant | 10,711,205 |
| Others | 1,841,884 |
| Total | 167,859,455 |



- (x) During the year a sum of Rs. 57,920,415 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.

For Population Foundation of India


Raam Kumar
Director (F&A)


Poonam Muttreja
Executive Director



Place : New Delhi

Date : September 20, 2017

