

Mehra & Sistani
Chartered Accountants
New Delhi

CERTIFICATE

We have audited the accounts of FONDATION AGA KHAN, Sarojni House, 6 Bhagwan Dass road, New Delhi-110001 (Registration No. 231650072 dated 10.01.1985) for the year ended 31st March 2016 and examined all relevant books and vouchers and certify that according to the audited accounts.

- (i). The brought forward foreign contribution at the beginning of the year was Rs.137,475,604.
- (ii) Foreign contribution of Rs.431,466,501 (Including Interest from Bank Rs.74,92,897) was received by the Foundation during the year ended 31st March, 2016.
- (iii) The balance of unutilized foreign contribution with the Foundation at the end of the year ended 31st March, 2016 was Rs.158,931,724/-
- (iv) Certified that the Foundation has maintained the accounts of foreign contribution and records relating there to in the manner specified in section 19 of the Foreign Contribution (Regulation) Act, 2010 (42 of 2010) read with rule (16) of the Foreign Contribution (Regulation) Rules, 2011.
- (v) The information furnished in this certificate and in the enclosed Balance Sheet and Statement of Receipt and Payment is correct as checked by us.

Place : New Delhi.
Dated : 7th September, 2016.



For Mehra & Sistani
Chartered Accountants

B. S. Sistani

(B. S. Sistani)
Partner

Membership No.080301

FOUNDATION AGA KHAN - INDIA BRANCH
Statement of Assets and Liabilities as at March 31, 2016

As At 31st March 2015 Rs.	LIABILITIES	As At 31st March 2016 Rs.	As At 31st March 2015 Rs.	ASSETS	As At 31st March 2016 Rs.
2,61,91,64,418	General Fund			Fixed Assets (As per Schedule 'A')	2,16,98,04,880
57,71,036	Head Office (Switzerland) A/c.	2,58,26,84,211	2,11,85,78,950	Gross Block	49,48,53,890
48,80,53,121	Balance as per last year	89,74,277	37,98,70,638	Less: Accumulated Depreciation	
3,11,29,88,575	Add: Donations for Corpus	38,20,66,123	1,73,87,08,312	Investments	
	Add: Remittances received from Head Office	2,97,37,24,611		Long Term Investments	
53,03,04,364	Less: Excess of expenditure over income	27,94,36,339	38,74,31,880	In Immovable Properties (Refer Note 2 in part II of schedule C)	
2,58,26,84,211			7,53,57,253	Opening Balance	46,27,37,133
			46,27,37,133	Add: Addition during the year	1,01,25,662
9,02,15,000	Current Liabilities	8,87,725	52,000	Less: Deletion during the year	4,01,228
	Other liabilities			Loans and Advances - Unsecured Considered Good	
	Advance for sale of property	90,000	1,30,74,633	Advances Recoverable in cash or in kind or for value to be received	3,84,61,286
			4,23,85,076	Advances and Expenditure on Property work in progress, pending allocation	5,73,92,884
			31,23,163	Security Deposits	33,04,916
				Cash and Bank Balances	
				Cash in Hand	3,32,191
				In Saving Accounts with Banks	3,17,57,432
				In Deposit Accounts with Banks	41,64,94,731
2,67,28,99,211	TOTAL	2,69,51,75,997	2,67,28,99,211	TOTAL	2,69,51,75,997

Significant Accounting Policies and Notes to Accounts (As per Schedule 'C')

This is the Statement of Assets and Liabilities referred to in our report of even date

Schedules referred to above form an integral part of the Statement of Assets and Liabilities



Mr. Ashish Merchant
Vice Chairman, National Committee
For and on behalf of
Foundation Aga Khan (India Branch)




For and on behalf of
M/s Mehra & Sistani
CHARTERED ACCOUNTANTS

Place : New Delhi
Date : - 7 SEP 2016



FOUNDATION AGA KHAN - INDIA BRANCH
Statement of Income & Expenditure for the year ended March 31, 2016

Year Ended 31st March 2015 Rs.	EXPENDITURE		Year Ended 31st March 2016		Year Ended 31st March 2015 Rs.	INCOME	Year Ended 31st March 2016		Rs.
	FCRA	Non FCRA	FCRA	Non FCRA			FCRA	Non FCRA	
14,24,63,208	Programmes / Projects Partners	9,26,74,178.00	21,54,500.00	9,48,28,678	6,65,20,002	Grants received	4,16,01,358	8,29,18,019	12,45,19,377
5,73,31,577	Office /Administration Expenses (As per Schedule - B)	2,05,34,468.00	4,47,76,976.00	6,53,11,444	2,09,19,065	Interest	74,92,897	1,47,66,276	2,22,59,173
7,26,198	Expense relating to Properties	-	20,57,000.00	20,57,000	3,58,15,670	Rent from Properties	-	3,63,08,988	3,63,08,988
31,49,84,458	Other Project Related Expenses	24,86,40,256.00	9,86,88,528.00	34,73,28,784	39,197	Gain on sale of Fixed Assets	1,00,814	35,806	1,56,620
80	Loss on sale of Fixed Assets	20.00	-	20	56,96,786	Gain on sale of Immovable Properties	-	16,49,51,743	16,49,51,743
13,31,930	Refund of Unutilised Grants	-	14,43,771.00	14,43,771	91,388	Refund of Unutilised Grants	6,90,500	66,897	6,90,500
14,07,42,003	Depreciation (As per Schedule 'A')	11,50,82,481.00	25,22,768.00	11,76,05,249	1,92,981	Miscellaneous Income	2,00,259	-	2,00,259
					53,05,04,364	Other Interest	42,68,40,325	-	27,94,56,339
						By excess of expenditure over income			
65,75,79,454	TOTAL	47,69,31,403	15,16,43,543	62,85,74,946	65,75,79,454	TOTAL	47,69,31,403	15,16,43,543	62,85,74,946

Significant Accounting Policies and Notes to Accounts (As per Schedule 'C')

This is the Statement of Income and Expenditure referred to in our report of even date



M. A. Sultan

For and on behalf of
M/s Mehra & Sisani
CHARTERED ACCOUNTANTS

Place : New Delhi
Date : **- 7 SEP 2016**

Schedules referred to above form an integral part of the Statement of Income & Expenditure

Ashish Merchant
Mr. Ashish Merchant
Vice Chairman, National Committee
For and on behalf of
Foundation Aga Khan (India Branch)

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FONDATION AGA KHAN (INDIA BRANCH)
Statement of Receipts and Payments for the year ended 31st March 2016

Year Ended 31st March 2015	RECEIPTS		Year Ended 31st March 2016		Year Ended 31st March 2015	PAYMENTS		Year Ended 31st March 2016	
	Total Rs	Foreign Contribution Rs	Other Rs	Total Rs		Total Rs	Foreign Contribution Rs	Other Rs	Total Rs
	To Opening Balances :								
2,14,022	Cash in Hand	1,65,273	1,41,406	3,04,679	11,20,85,236	4,26,30,927	2,45,65,087	6,71,94,014	
1,39,20,224	In Current Accounts with Banks	1,83,72,775	1,29,09,378	3,12,82,153	3,85,000	80,000	1,05,000	1,85,000	
33,10,92,820	In Deposit Accounts with Banks	11,89,39,557	26,23,44,503	38,12,84,062	6,78,791	-	2,07,061	2,07,061	
57,71,036	To Donations for Corpus		89,74,277	89,74,277	7,45,788				
48,80,55,121	To Remittances from Head Office (Switzerland)	38,20,06,123		38,20,06,123	14,55,798			10,45,965	
6,65,20,002	To Grants Received (Net of tax deducted at Source - Rs 77,031)	4,16,01,358	8,28,40,988	12,44,42,346	23,62,339			20,07,355	
2,04,57,996	To Interest Received (Net of tax deducted at source - Rs 504,901 (Previous year - Rs 42,283))	74,15,487	1,43,38,616	2,17,54,103	5,68,827			19,18,731	
1,75,216	To Other Interest Income (Net of tax deducted at source Rs. 20,026)	1,80,233		1,80,233				55,86,998	
3,38,15,670	To Rent from Immovable Properties		3,63,08,988	3,63,08,988	2,55,150			70,394	
39,200	To Sale of Old Fixed Assets	1,00,890	35,810	1,36,700	79,97,740			2,61,65,206	
30,00,000	To Sale of Properties (Net of tax deducted at source Rs. 16,47,870)	6,90,500	7,35,80,100	7,35,80,100	14,24,63,208			9,48,28,678	
91,388	To Refund of Unutilized Grants from program/project partners	5,050	66,897	71,947	31,55,08,991			34,72,80,457	
	To Miscellaneous Income	9,59,906	18,67,044	28,26,950	7,26,198			6,53,11,444	
21,01,419	To Refund of Advances	3,247		3,247	13,31,930			20,57,000	
11,90,353	To Refund of Security Deposit							14,43,771	
9,01,25,000	To Advance against Sale of Properties							87,495	
								3,17,57,432	
								41,64,94,751	
1,05,65,67,467	TOTAL	57,04,98,399	49,34,08,009	1,06,39,06,408	1,05,65,67,467	57,04,98,399	49,34,08,009	1,06,39,06,408	

Significant Accounting Policies and Notes to Accounts (As per Schedule 'C')

This is the Statement of Income and Expenditure referred to in our report of even date



For and on behalf of
M/s Mehra & Sistani
CHARTERED ACCOUNTANTS

Place : New Delhi
Date : **7 SEP 2016**

Schedules referred to above form an integral part of the Statement of Income & Expenditure

(Signature)
Mr. Ashish Mehra
Vice Chairman, National Committee
For and on behalf of
Foundation Aga Khan (India Branch)

(Signature)

FONDATION AGA KHAN - INDIA BRANCH

SCHEDULE A - Fixed Assets As At 31st March, 2016

Asset Categorisation	Gross Block				Depreciation			Net Block	
	Balance as at	Addition during the	Adjustment during the	Balance as at	Provided during the year	Adjustment	Balance as at	As at	
	31.03.2015	year	year	31.03.2015	31.03.2016	during the year	31.03.2016	31.03.2015	
(a) Land (Refer Note 2 in part II of Schedule C)	-	-	-	1	-	-	-	-	-
(b) Buildings	1,73,40,14,235	1,94,37,064	-	1,77,34,51,299	-	5,92,33,275	17,62,49,207	1,59,72,02,092	1,63,69,98,303
(c) Furniture & Fixtures	18,58,38,161	69,75,430	(36,936)	19,27,96,655	(36,936)	2,22,54,459	16,15,97,471	3,11,99,184	4,74,78,222
(d) Vehicles	68,97,120	55,86,998	-	1,25,92,516	-	13,19,965	70,27,217	55,65,299	12,98,264
(e) Office Equipments	11,12,39,278	1,29,07,496	(8,23,063)	12,33,23,706	(8,23,063)	2,14,40,302	9,33,58,331	2,99,65,375	3,84,98,223
(f) Electrical Installations	3,55,29,000	41,17,635	-	3,96,46,635	-	76,45,199	3,34,12,834	62,33,701	97,61,265
(g) Computers and related Equipments	1,36,64,719	47,55,010	(18,70,491)	1,65,47,238	(18,70,491)	28,78,542	1,42,27,879	23,19,359	4,44,942
(h) Software	7,78,347	70,394	-	8,48,741	-	21,078	7,99,416	49,325	9
(i) Leasehold improvements	1,03,39,739	-	-	1,03,39,739	-	18,12,429	79,23,167	24,16,572	42,29,001
(j) Cycles	2,58,350	-	-	2,58,350	-	-	2,58,268	82	82
Total	2,11,85,78,950	5,38,48,027	1,08,398	2,16,98,04,880	(27,30,495)	11,76,05,249	49,48,53,890	1,67,49,50,990	1,73,87,08,312
Previous Year	1,69,53,38,766	42,46,98,153	-	2,11,85,78,950	14,57,969	14,07,42,003	37,98,70,638	1,73,87,08,312	1,73,87,08,312

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FONDATION AGA KHAN (INDIA BRANCH)**Schedule B - Office/Administration Expenses**

Particulars	Year Ended March 31, 2016			Year Ended March 31, 2015
	FCRA	Non FCRA	Total	Total
Salaries and allowances	85,18,095	2,62,93,238	3,48,11,333	3,55,10,062
Contribution to provident fund	2,56,293	14,07,230	16,63,523	19,41,888
Gratuity and superannuation	-	9,11,675	9,11,675	6,47,373
Staff welfare expenses	2,63,068	1,15,755	3,78,823	3,28,114
Staff recruitment and training expenses	20,10,257	27,73,827	47,84,084	17,86,315
Rent	8,85,787	45,41,162	54,26,949	41,91,489
Insurance	9,742	73,709	83,451	65,893
Repairs and maintenance				
Building	10,02,331	18,95,893	28,98,224	8,50,510
Others	4,59,963	3,12,914	7,72,877	6,76,876
Vehicle running and maintenance	2,72,697	2,99,745	5,72,442	6,01,388
Electricity and water charges	1,81,916	10,70,032	12,51,948	10,62,164
Printing and stationery expenses	3,02,996	2,68,567	5,71,563	4,72,674
Postage and telephone	5,10,353	8,65,934	13,76,287	13,39,778
Travelling and conveyance	31,01,707	34,43,717	65,45,424	50,79,717
Auditors' remuneration				
Audit fee	4,64,744		4,64,744	10,07,965
Legal and professional charges	12,68,324	4,57,092	17,25,416	16,36,358
VAT - Work contract	9,50,565	16,611	9,67,176	-
Miscellaneous expenses	75,630	29,875	1,05,505	1,33,013
Total	2,05,34,468	4,47,76,976	6,53,11,444	5,73,31,577



FONDATION AGA KHAN-INDIA BRANCH

Schedule-C Significant Accounting Policies and Notes to Accounts

I. Significant Accounting Policies

1. Basis of Accounting

The accounts have been drawn up on a historical cost convention and are on cash basis other than retention money on contractor's bill and advance received on sale of properties.

2. Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition inclusive of inward freight and other incidental expenses.

As per policy of Head Office (Switzerland), fixed assets are depreciated on straight line method as per the rates given below:

Buildings	3.34%
Leasehold improvements	20% / Period of lease
Computers and Related Equipments	33.33%
Furniture and Fixtures	20%
Office Equipment	20%
Vehicles	25%
Electrical Installations	20%
Cycles	25%
Intangible Assets – Computer Software	Over a period of 2-5 years

Full month's depreciation is provided on additions in the month of purchase and no depreciation is provided in the month of sale/disposal of assets.

Fixed Assets costing up to Rs. 225,000 are fully depreciated in the year of purchase, as per the policy of Head Office.

Written down value of electrical installation include sum of Rs. 2,870,957 pertaining to electric substation put up by the Andhra Pradesh Electricity Board. Which is deemed to be their property under the terms of agreement.

3. Investments

Long-term investments are valued at cost.

4. Foreign Inward Remittances

Remittances received from Head Office through normal banking channels are recorded at the exchange rate as advised by the bank.

The accounts do not include expenditure, if any, incurred by the Head Office, and include transactions arising from remittances received from the Head Office and expenditure incurred in India out of such remittances.

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During the year the Fondation has received Rs. 38,20,66,123 (Previous Year Rs. 48,80,53,121) as remittances from Head Office.

5. Employee benefits

a) Defined Contribution Plans

All employees of the Fondation are entitled to receive benefits under the Provident Fund which is a defined contribution plan. The contributions are made to a fund administered and managed by the Government of India. The contributions made under this scheme are expensed in the income and expenditure account on payment thereof.

Some employees of the Fondation are entitled to superannuation, a defined contribution plan which is administered through Life Insurance Corporation of India (LIC). Superannuation contribution is recorded as an expense in the income and expenditure account on expenditure thereof to LIC.

b) Defined Benefit Plan

The Fondation has a policy with SBI Life Insurance Company Limited (SBI). Under this Gratuity plan (which is a defined benefit retirement plan) contributions are made to SBI based on actuarial valuations as per Projected Unit Credit Method. The contributions are recorded as expense in the receipts and payments account on payment thereof to SBI.

6. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the income and expenditure account.

II. Notes to the accounts

1. Land under fixed assets, capitalised at Re. 1, pertains to 100 Acres of land in Hyderabad allotted by the Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) to the Fondation free of cost for setting up a Centre of Excellence in Education, through a deed of gift and conveyance dated August 22, 2005. As per the deed, the property cannot be transferred or conveyed in whole or in part, by sale, lease, mortgage, etc. to any third party without prior consent of APIIC.
2. The Fondation maintains twenty saving accounts with a bank. One of the saving account (No.04611100011176) with Development Credit Bank Ltd. is maintained exclusively for foreign inward remittances.
3. The Fondation has received the approval for exemption from income tax, from the prescribed authorities under section 10(23)(C)(iv) of the Income-tax Act, 1961 from assessment year 2009-10 onwards. Accordingly, no provision for income-tax has been considered necessary in these accounts.
4. Employee Benefits

Defined contribution plans

Contributions to defined contribution plans expensed for the year are as under:





	Current Year Rs.	Previous Year Rs.
Fondation`s contribution to provident fund	61,45,204	5,727,824
Fondation`s contribution to superannuation fund	177,313	199,147

Defined Benefit Plan

In accordance with Accounting Standard (AS) 15 (revised), actuarial valuation was done in respect of the aforesaid defined benefit plan based on the following assumptions:

Main actuarial assumptions	As at December 31, 2015	As at December 31, 2014
Discount rate	8.00%	8.00%
Rate of increase in compensation levels for first five year	7.00%	7.00%
Rate of increase in compensation levels then after	5.00%	5.00%

Defined Benefit Plan amounts aggregating Rs. 2,073,268 (Previous year Rs. 1,628,120) have been recognized as expense during the year.

5. The Fondation has entered into leasing arrangements in respect of operating lease as lessee for office and residential premises. The rent charged to income and expenditure account relating to operating lease during the year is Rs. 9,182,156 (Previous year Rs. 10,008,670). Terms of the lease include terms for renewal, increase in rents in future periods and terms of cancellation, where applicable.
6. Previous year figures have been regrouped / recast wherever necessary to conform to the current year classification.

G. S. S. S. S.

- 7 SEP 2016

