

*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 31<sup>st</sup> March 2018 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.301,889,276.
- (ii) Foreign contribution of Rs.596,197,761 (Including Interest from Bank and sale of Fixed Assets aggregating to Rs.19,489,876) was received by the Foundation during the year ended 31<sup>st</sup> March, 2018.
- (iii) The balance of unutilized foreign contribution with the Foundation at the end of the year ended 31<sup>st</sup> March, 2018 was Rs.246,350,681/-
- (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 : 3<sup>rd</sup> August, 2018



For Mehra & Sistani  
Chartered Accountants

*B. S. Sistani*

( B. S. Sistani )  
Partner  
Membership No.080301

**PART I – STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2018**  
**FONDATION AGA KHAN (INDIA)**

Amount in Rs.

Particulars		Note No.	As at March 31, 2018	As at March 31, 2017
<b>I.</b>	<b>FUNDS AND LIABILITIES</b>			
1	<b>General funds</b>			
	Balance as on 31st March 2017		2,893,470,377	2,694,288,272
	(a) Add: Donation For Corpus		204,839,933	14,244,132
	(b) Add: Remittances received from Head Office		487,444,279	465,090,815
	(c) Less: Excess of expenditure over income	1	473,483,267	280,152,842
			3,112,271,322	2,893,470,377
2	<b>Current liabilities</b>			
	(a) Other current liabilities			
	(i) Other Liabilities			259,512
	<b>TOTAL</b>		<b>3,112,271,322</b>	<b>2,893,729,889</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
1	<b>(a) Fixed assets</b>			
	(i) Tangible assets	2	1,627,955,090	1,591,420,930
	(ii) Intangible assets	2	400,273	9,918
	(iii) Capital work-in-progress		18,059,474	22,388,654
	(b) Non-current investments	3	571,366,957	526,983,506
2	<b>Current assets</b>			
	(a) Cash and cash equivalents	4	852,293,286	701,095,702
	(b) Short-term loans and advances	5	32,210,956	45,103,285
	(c) Other current assets	6	9,985,286	6,727,894
	<b>TOTAL</b>		<b>3,112,271,322</b>	<b>2,893,729,889</b>

Significant Accounting Policies and Notes to accounts (As per Note 10)

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

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

X 

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

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

  
 B. S. Sistani  
 Partner  
 Membership No.080301



PLACE : - 3 AUG 2018  
 DATE :



PART II - STATEMENT OF RECEIPT AND PAYMENT FOR YEAR ENDING 31ST MARCH 2018  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

Particulars	Note No.	For the year ending March 2018			For the year ending March 2017		
		FC	NON FC	Total	FC	NON FC	Total
<b>I. Opening Balance</b>							
Cash		51,340	94,523	145,863	264,696	87,495	352,191
Bank		23,255,451	42,714,945	65,970,396	13,808,377	17,949,055	31,757,432
Deposits		278,582,486	356,396,957	634,979,443	144,858,650	271,636,081	416,494,731
II. Donation for Corpus		-	204,839,933	204,839,933	-	14,244,132	14,244,132
III. Donation with purpose		-	-	-	-	571,000	571,000
IV. Remittances from Head Office (Switzerland)		487,444,279	-	487,444,279	465,090,815	-	465,090,815
V. Grant Received	7	89,263,606	301,440,214	390,703,820	140,038,941	239,715,578	379,754,519
VI. Interest Income (Net of TDS)		18,183,946	35,813,277	53,997,223	12,112,209	21,386,695	33,498,904
VII. Interest on Income tax refund		-	-	-	9,793	23,445	33,238
VIII. Other Interest		-	-	-	7,290	-	7,290
IX. Rent from Immovable Properties (Net of TDS)		-	42,825,955	42,825,955	-	40,739,722	40,739,722
X. Sale of Old Fixed Assets (Net of TDS)		802,261	79,930	882,191	305,327	358,699	664,026
XI. Sale of Immovable Properties (Net of TDS)		-	-	-	-	11,979,000	11,979,000
XII. Refund of Unutilised Grants		652,585	1,762,194	2,414,779	446,912	-	446,912
XIII. Miscellaneous Income (Net of TDS)		27,821	980	28,801	23,395	24,725	48,120
XIV. Refund of Advances		13,946,144	17,419,542	31,365,686	222,482	12,680,174	12,902,656
XV. Refund of Security Deposits		108,400	25,000	133,400	420,000	5,000	425,000
XVI. Income Tax refund		-	-	-	141,120	337,882	479,002
<b>XVII. Total Receipts (I to XVI)</b>		<b>912,318,319</b>	<b>1,003,413,450</b>	<b>1,915,731,769</b>	<b>777,750,007</b>	<b>631,738,683</b>	<b>1,409,488,690</b>
XVIII. Advances & Expenditure on Property work-in-progress, pending allocation		49,919,020	96,000,584	145,919,604	4,931,073	31,179,642	36,110,715
XIX. Payment of Security Deposits		47,800	19,000	66,800	147,884	25,000	172,884
XX. Additions to Assets		7,479,915	3,093,434	10,573,349	12,051,981	1,651,631	13,703,612
XXI. Addition to properties		-	14,782,852	14,782,852	-	128,152	128,152
Advances Recoverable in cash or in kind or for value to be received		13,386,469	5,208,119	18,594,588	13,663,606	9,525,055	23,188,661
XXIII. Programme/Project partners		238,781,913	15,051,000	253,832,913	183,968,404	15,763,086	199,731,490
XXIV. Employee Benefits expenses	8	13,420,076	26,496,661	39,916,737	21,819,501	13,957,224	35,776,725
XXV. Other Office /Administration Expenses	9	5,027,848	15,565,872	20,593,720	9,941,070	9,667,912	19,608,982
XXVI. Repair and Maintenance of Properties		-	953,307	953,307	-	2,759,513	2,759,513
XXVII. Other Project Related Expenses		337,904,596	219,435,881	557,340,477	229,267,736	147,757,497	377,025,233
XXVIII. Refund of Grant		-	864,136	864,136	69,475	117,547	187,022
XXIX. Closing Balances :							
Cash		117,629	63,665	181,294	51,340	94,523	145,863
Bank		235,460,403	602,768,747	838,229,150	23,255,451	42,714,945	65,970,396
Deposits		10,772,650	3,110,192	13,882,842	278,582,486	356,396,957	634,979,443
<b>XXX. Total Payments (XVIII to XXVII)</b>		<b>912,318,319</b>	<b>1,003,413,450</b>	<b>1,915,731,769</b>	<b>777,750,007</b>	<b>631,738,683</b>	<b>1,409,488,690</b>

Significant Accounting Policies and Notes to accounts (As per Note 10)

Notes referred to above form an integral part of the Statement of Receipt and Payment

This is the Statement of Receipt and Payment referred to in our report of even date

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

S. Sistani  
Partner  
Membership No.080301



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

PLACE :  
DATE : - 3 AUG 2018

Note 1 Income & Expenditure for the Year Ending March 31, 2018  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

Particulars	Note No.	For the year ending March 2018			For the year ending March 2017		
		FC	NON FC	Total	FC	NON FC	Total
<b>I Income</b>							
1. Grants received	7	89,263,606	301,440,214	390,703,820	140,038,941	239,715,578	379,754,519
2. Donation with purpose		0	0	0	0	571,000	571,000
3. Interest		18,657,972	36,749,014	55,406,986	12,206,517	22,280,829	34,487,346
4. Rent from Immovable Properties		0	44,738,249	44,738,249	0	40,739,722	40,739,722
5. Gain on sale of Fixed Assets		802,148	79,842	881,990	333,311	358,652	691,963
6. Gain on sale of Immovable Properties		0	0	0	0	12,166,000	12,166,000
7. Refund of Unutilised Grants		652,585	1,762,194	2,414,779	446,912	0	446,912
8. Miscellaneous Income		29,756	980	30,736	23,395	24,725	48,120
9. Other Interest		0	0	0	17,893	23,445	41,338
<b>Total Income</b>		<b>109,406,067</b>	<b>384,770,493</b>	<b>494,176,560</b>	<b>153,066,969</b>	<b>315,879,951</b>	<b>468,946,920</b>
<b>II Expenses</b>							
1. Programme/ Project partners		238,781,913	15,051,000	253,832,913	183,968,404	15,763,086	199,731,490
2. Employee Benefits expenses	8	13,381,488	26,496,661	39,878,149	21,819,501	13,957,224	35,776,725
3. Other Office /Administration Expenses	9	5,027,848	15,565,872	20,593,720	9,941,070	9,667,912	19,608,982
4. Other project related expenses		337,903,081	219,337,702	557,240,783	229,304,002	147,811,184	377,115,186
5. Expenses related to properties		0	953,307	953,307	0	2,759,513	2,759,513
6. Refund of unutilized Grant		0	864,136	864,136	69,475	117,547	187,022
7. Loss on sale/write off of Fixed Assets		14	3	17	1	1	2
8. Depreciation		90,812,220	3,484,582	94,296,802	112,099,145	1,821,697	113,920,842
<b>Total Expenses</b>		<b>685,906,564</b>	<b>281,753,263</b>	<b>967,659,827</b>	<b>557,201,598</b>	<b>191,898,164</b>	<b>749,099,762</b>
<b>Excess of Expenditure over Income</b>		<b>576,500,497</b>	<b>(103,017,230)</b>	<b>473,483,267</b>	<b>404,134,629</b>	<b>(123,981,787)</b>	<b>280,152,842</b>



*Signature*

*Signature*

NOTE - 2 Fixed Assets As At 31st March, 2018  
 FOUNDATION AGA KHAN (INDIA)

Asset Categorisation	Gross Block						Depreciation			Net Block	
	Balance as at 31.03.2017	Addition during the year	Adjustment during the year	Deduction / sale during the year	Balance as at 31.03.2018	Balance as at 31.03.2017	Provided during the year	Adjustment during the year	Balance as at 31.03.2018	As at 31.03.2017	
(a) Land (Refer Note 2 in part II of Schedule C)	1	-	-	-	1	-	-	-	-	1	1
(b) Buildings	1,776,349,005	110,445,502	-	-	1,886,794,507	235,506,676	60,179,510	-	295,686,186	1,591,108,321	1,540,842,329
(c) Furniture & Fixtures	199,648,856	6,301,225	-	(62,260)	205,887,821	186,611,123	10,958,745	(62,192)	197,507,676	8,380,145	13,037,733
(d) Vehicles	16,432,827	1,648,121	-	(2,153,117)	15,927,831	7,603,127	3,586,537	(2,153,115)	9,036,549	6,891,282	8,829,700
(e) Office Equipments	132,484,193	7,960,921	-	(2,096,068)	138,349,046	109,815,364	12,710,505	(2,095,970)	120,429,899	17,919,147	22,668,829
(f) Electrical Installations	39,863,353	-	-	-	39,863,353	37,150,761	866,871	-	38,017,632	1,845,721	2,712,592
(g) Computers and related Equipments	20,715,729	4,429,166	-	(1,751,797)	23,393,098	17,990,207	5,344,246	(1,751,747)	21,582,706	1,810,392	2,725,522
(h) Leasehold improvements	10,339,739	-	-	-	10,339,739	9,735,595	604,143	-	10,339,738	1	604,144
(i) Cycles	255,200	-	-	-	255,200	255,119	-	-	255,119	81	81
<b>Tangible Assets</b>	<b>2,196,088,902</b>	<b>130,784,935</b>	<b>-</b>	<b>(6,063,242)</b>	<b>2,320,810,595</b>	<b>604,667,972</b>	<b>94,250,557</b>	<b>(6,063,024)</b>	<b>692,855,505</b>	<b>1,627,955,090</b>	
(j) Software	1,077,101	436,600	-	-	1,513,701	1,067,183	46,245	-	1,113,428	400,273	9,918
<b>Intangible Assets</b>	<b>1,077,101</b>	<b>436,600</b>	<b>-</b>	<b>-</b>	<b>1,513,701</b>	<b>1,067,183</b>	<b>46,245</b>	<b>-</b>	<b>1,113,428</b>	<b>400,273</b>	
<b>Total</b>	<b>2,197,166,003</b>	<b>131,221,535</b>	<b>-</b>	<b>(6,063,242)</b>	<b>2,322,324,296</b>	<b>605,735,155</b>	<b>94,296,802</b>	<b>(6,063,024)</b>	<b>693,968,933</b>	<b>1,628,355,363</b>	
<b>Previous Year</b>	<b>2,169,804,881</b>	<b>30,400,771</b>	<b>-</b>	<b>(3,039,649)</b>	<b>2,197,166,003</b>	<b>494,853,892</b>	<b>113,920,842</b>	<b>(3,039,579)</b>	<b>605,735,155</b>	<b>1,674,950,990</b>	



Handwritten signature and initials 'AK' in blue ink.

Note 3 Non-current Investments  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

<u>Immovable Properties</u>	As on 31st March 2018	As on 31st March 2017
Opening Balance	526,983,506	472,461,567
Add: Additional during the year	44,383,450	54,545,939
Less: Deletion during the year	-	24,000
<b>Total</b>	<b>571,366,956</b>	<b>526,983,506</b>



*Handwritten signature*

*Handwritten mark*

Note 4 Cash and Cash Equivalents  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

<u>Cash &amp; Cash Equivalents</u>	As on 31st March 2018	As on 31st March 2017
(a) Cash in hand	181,294	145,863
(b) Balances with banks		
(i) In Saving accounts	838,229,150	65,970,396
(ii) In Fixed deposit accounts		
Maturity less than 12 months	10,772,650	591,973,042
Maturity more than 12 months	3,110,192	43,006,401
<b>Total</b>	<b>852,293,286</b>	<b>701,095,702</b>



*Signature*

*Signature*

Note 5 Short Term Loans and Advances  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

<u>Unsecured and considered good</u>		As on 31st March 2018	As on 31st March 2017
		Total	Total
(a)	Advance to staff	503,955	53,978
(b)	Advance to suppliers/ Contractors	25,071,519	36,796,823
(c)	Advance others	113,241	144,484
(d)	Capital Advance	6,522,241	8,108,000
<b>Total</b>		<b>32,210,956</b>	<b>45,103,285</b>



*Signature* 8/1



Note 6 Other Current Assets  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

<u>Other current assets</u>	As on 31st March 2018	As on 31st March 2017
	Total	Total
(a) Security deposit	2,986,200	3,052,800
(b) Tax recovery	6,999,086	3,675,094
<b>Total</b>	<b>9,985,286</b>	<b>6,727,894</b>



*Signature*

*Signature*

Note 7 Grant Received  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

Grant received		For the year ending March 2018			For the year ending March 2017		
		FC	NON FC	Total	FC	NON FC	Total
(a)	American Embassy, New Delhi	5,926,791	-	5,926,791	2,869,766	-	2,869,766
(b)	Australian High Commision	33,650	-	33,650	1,012,935	-	1,012,935
(c)	Bollore Logistics India Limited	-	-	-	-	1,452,000	1,452,000
(d)	C&A Foundation	76,953,648	-	76,953,648	120,523,524	-	120,523,524
(e)	Coca Cola India Pvt. Ltd.	-	-	-	8,491,816	-	8,491,816
(f)	The Federal Republic of Germany	3,849,718	-	3,849,718	-	-	-
(g)	Government of India	-	148,435,549	148,435,549	-	148,345,000	148,345,000
(h)	Coastal Salinity Prevention Cell	-	4,100,000	4,100,000	-	3,500,000	3,500,000
(i)	Havells India Limited	-	67,500,000	67,500,000	-	-	-
(j)	Hilti India Private Limited	-	7,000,000	7,000,000	-	3,500,000	3,500,000
(k)	Interglobe Foundation	-	21,300,000	21,300,000	-	19,600,000	19,600,000
(m)	Jamshed Tata Trust	-	12,292,000	12,292,000	-	26,854,000	26,854,000
(n)	National Bank for Agriculture and Rural Development	-	777,300	777,300	-	808,000	808,000
(p)	Reckitt Benckiser (India) Private Limited	2,260,740	10,430,350	12,691,090	3,767,900	-	3,767,900
(q)	Rizwan Adatia Foundation	-	9,850,230	9,850,230	-	11,483,901	11,483,901
(r)	Small Industries Development Bank of India	-	1,113,922	1,113,922	-	6,146,815	6,146,815
(s)	Sir Dorabji Tata Trust	-	8,446,000	8,446,000	-	13,467,547	13,467,547
(t)	Sir Ratan Tata Trust	-	7,097,000	7,097,000	-	-	-
(u)	United Nation Population Fund	-	2,521,546	2,521,546	-	4,558,315	4,558,315
(v)	United Way of Hyderabad	239,059	576,317	815,376	695,000	-	695,000
(w)	WS Atkins Private Ltd.	-	-	-	2,678,000	-	2,678,000
Total		89,263,606	301,440,214	390,703,820	140,038,941	239,715,578	379,754,519



*Signature*

*CA*

Note 8 Employee Benefits expenses  
 FONDATION AGA KHAN (INDIA)

Amount in Rs.

Particulars		For the year ending March 2018			For the year ending March 2017		
		FC	NON FC	Total	FC	NON FC	Total
(a)	Salaries and allowances	11,661,630	21,832,513	33,494,143	19,212,582	11,294,496	30,507,078
(b)	Contribution to provident fund	675,486	1,318,523	1,994,009	1,133,327	713,924	1,847,251
(c)	Gratuity and superannuation	137,706	1,141,420	1,279,126	166,015	669,986	836,001
(d)	Staff welfare expenses	428,102	172,719	600,821	481,289	103,222	584,511
(e)	Staff recruitment and training expenses	478,564	2,031,486	2,510,050	826,288	1,175,596	2,001,884
	<b>Total</b>	<b>13,381,488</b>	<b>26,496,661</b>	<b>39,878,149</b>	<b>21,819,501</b>	<b>13,957,224</b>	<b>35,776,725</b>



*gohar*

61

Note 9 Other Office /Administration Expenses  
FONDATION AGA KHAN (INDIA)

Amount in Rs.

Particulars		For the year ending March 2018			For the year ending March 2017		
		FC	NON FC	Total	FC	NON FC	Total
(a)	Rent	380,990	5,328,918	5,709,908	2,458,539	3,210,512	5,669,051
(b)	Insurance	96,202	-	96,202	127,571	9,025	136,596
(c)	Repairs and maintenance			-			-
(d)	Building	338,777	894,795	1,233,572	836,503	387,338	1,223,841
(e)	Others	263,197	665,238	928,435	597,199	437,010	1,034,209
(f)	Vehicle running and maintenance	177,731	201,464	379,195	503,926	137,358	641,284
(g)	Electricity and water charges	274,959	1,034,552	1,309,511	437,317	741,448	1,178,765
(h)	Printing and stationery expenses	143,319	435,018	578,337	383,860	276,627	660,487
(i)	Postage and telephone	318,837	1,066,895	1,385,732	581,242	973,327	1,554,569
(j)	Travelling and conveyance	2,328,307	3,129,833	5,458,140	2,414,921	1,839,350	4,254,271
(k)	Auditors' remuneration			-			-
(l)	Audit fee	472,000	-	472,000	460,000	-	460,000
(m)	Out of Pocket	-	-	-	9,073	-	9,073
(n)	Legal and professional charges	213,227	2,342,144	2,555,371	1,048,976	1,630,721	2,679,697
(o)	Miscellaneous expenses	20,302	467,015	487,317	81,943	25,196	107,139
	<b>Total</b>	<b>5,027,848</b>	<b>15,565,872</b>	<b>20,593,720</b>	<b>9,941,070</b>	<b>9,667,912</b>	<b>19,608,982</b>



*Signature*

*CA*

## FONDATION AGA KHAN-INDIA BRANCH

### **Note 10 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 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.

Electrical installation include electric substation costing INR 34,451,493 put up by the Andhra Pradesh Electricity Board in year 2011 at the Campus of Hyderabad Academy. As per the terms of agreement, the said substation is deemed to be the property of Andhra Pradesh Electricity Board.

##### **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.



*Handwritten signature*

*Handwritten signature*

During the year the Fondation has received Rs. 487,444,279 (Previous Year Rs. 465,090,815) 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 payment 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 four 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.



*Handwritten signature in blue ink.*

*Handwritten signature in blue ink.*

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	7,726,551	7,052,096
Fondation`s contribution to superannuation fund	162,433	161,509

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, 2017	As at December 31, 2016
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. 4,142,789 (Previous year Rs. 2,567,414) have been recognized as expense during the year.

- 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. 8,355,044 (Previous year Rs. 8,471,665). Terms of the lease include terms for renewal, increase in rents in future periods and terms of cancellation, where applicable.
- Goods and Service Tax Act, 2017 (G.S.T.) was introduced during the year. Discussions with tax experts, on the applicability of GST on the Fondation, are underway. The matter is under consideration. Liability, if any is not accounted for.
- Previous year figures have been regrouped / recast wherever necessary to conform to the current year classification.



*[Signature]*  
- 3 AUG 2018