

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 2019 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.246,350,682.
- (ii) Foreign contribution of Rs.555,951,256 (Including Interest from Bank and sale of Fixed Assets aggregating to Rs.19,533,744) was received by the Foundation during the year ended 31st March, 2019.
- (iii) The balance of unutilized foreign contribution with the Foundation at the end of the year ended 31st March, 2019 was Rs.243,630,970/-
- (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.
- (vi) The association has utilized the foreign contribution received for the purposes it is registered/granted prior permission under Foreign Contribution (Regulation) Act, 2010.

For Mehra & Sistani
Chartered Accountants

B. S. Sistani



Place : New Delhi.
Dated : 20th December, 2019

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

UDIN: 19080301AAAAMG6072

FORM FC - 4
[See rule 17]

Darpan ID: DL/2017/0165235

The Secretary to the Government of India,
Ministry of Home Affairs,
Foreigners Division (FCRA Wing),
Major Dhyani Chand National Stadium, India Gate
New Delhi - 110002

Subject: Account of Foreign Contribution for the year ending on the 31st March 2019

Registration Number 231650072 dated 10.1.1985

1 FCRA registration/ prior permission number and date:

2 Details of receipt and utilisation of foreign contribution:

(i) Foreign Contribution received in cash/ kind (value)

(a)	Brought forward foreign contribution at the beginning of the year (Rs.)		246,350,682
(b)	Interest during the year*		18,975,689
(i)	Other receipts from projects/activities:		
Sl. No.	Name and location of project/ activity	Address	Year of commencement of project/ activity
1	Administration	6 Bhagwan Dass Road, Delhi, 110001	1978
2	Area Development Network, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	2008
3	Area Development Network, Uttar Pradesh	15, Sufipura Huzurpur Road, Baharai, Uttar Pradesh, 271801	2010
4	Nizamuddin Area Development Network	Bada Batashewala Complex, Sunder Nursey, Nizamuddin East, Delhi, 110013	2007
5	Climate Change, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	2008
6	Youth and Adult Education, Delhi	Bada Batashewala Complex, Sunder Nursey, Nizamuddin East, Delhi, 110013	2007
7	Agriculture and food security	6 Bhagwan Dass Road, Delhi, 110001	1978
8	School Improvement Program	6 Bhagwan Dass Road, Delhi, 110001	1978
	Total		28
			558,055
(c)	Foreign Contribution received during the financial year		
	(i) Directly from a foreign source		530,302,346
	(ii) as transfer from a local source		6,115,166
(d)	Total Foreign Contribution (a+b+c) (Rs.)		801,743,883
	Income during the year (Rs.)		
			22,189
			121
			48
			529,002
			185
			353
			6,129
			28
			558,055

* i.e. interest accrued on foreign contribution, or any other income derived from foreign contribution, e.g. sale proceeds from assets created from foreign contribution, or interest thereon during the year.

(ii) (a) Donor wise detail of foreign contribution received:

Sl. No. of donor(s)	Name of donor(s)	Institutional / Individual	Details of the donor: official Address; e-mail address; Website address;	Purpose(s) for which received	Amount (Rs.)
(1)	(2)	(3)	(4)	(5)	(7)
				Specific Activity/ Project	





1	American Embassy	Institutional	24, Kasturba Gandhi Marg, New Delhi 110001, United States of America	Cultural	Nizamuddin Area Development Network	1,500,308
2	Fondation Aga Khan	Institutional	1-3 avenue de la Paix, 1202 Geneva, Switzerland	Cultural	Nizamuddin Area Development Network	214,987,737
3	Fondation Aga Khan	Institutional	1-3 avenue de la Paix, 1202 Geneva, Switzerland	Education	Early Childhood Development, Bihar School Improvement Programme, Bihar Youth and Adult Education, Bihar School Improvement Programme, Hyderabad Early Childhood Development, Delhi School Improvement Programme, Delhi Early Childhood Development, Uttar Pradesh, Youth and Adult Education, Uttar Pradesh	15,262,584
4	C&A Foundation	Institutional	Grafenauweg 10, 6300 Zug, Switzerland	Social	Agriculture and food security, Area Development Network, Bihar, Administration	90,433,491
5	Fondation Aga Khan	Institutional	1-3 avenue de la Paix, 1202 Geneva, Switzerland	Social	Water and Sanitation, Health Build Environment, Delhi Community Health, Delhi Civil Society, Uttar Pradesh, Area Development Network, Uttar Pradesh, Area Development Network, Bihar, Agriculture and food security, Uttar Pradesh, Agriculture and food security, Bihar, Agriculture and food security, Administration	208,118,226
6	Australian High Commission	Institutional	No. 1/50 G Shantipath, New Delhi - 110021, India	Cultural	Nizamuddin Area Development Network	1,653,650
7	American Embassy	Institutional	24, Kasturba Gandhi Marg, New Delhi 110001	Cultural	Nizamuddin Area Development Network	2,859,280
8	The Federal Republic of Germany	Institutional	No. 9, Boat Club Road, R.A. Puram, Chennai 600 028, Tamil Nadu, India	Cultural	Nizamuddin Area Development Network	1,602,236

(b) Cumulative purpose-wise amount of all foreign contribution donations received:

Sl. No	Purpose	Amount
1	Cultural	216,488,045
2	Social	298,551,717
3	Education	15,262,584

3 Details of utilization of foreign contribution:

(a) Details of activities/projects for which foreign contribution has been received and utilised (in rupee)

Sl. No.	Name of Project/activity	Address/ Location	Previous balance		Receipt during the year		Utilised		Balance	
			In cash	In Kind	In cash	In Kind	In cash	In Kind	In cash	In Kind
	Area Development Network, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Pama, Bihar, 800014	1,691,352		16,537,374		7,526,811		10,701,915	
	Area Development Network, Uttar Pradesh	15, Sufipura Huzarpur Road, Baharaich, Uttar Pradesh, 271801	453,087		9,545,282		5,478,555		4,519,814	
	Agriculture and food security	6 Bhagwan Dass Road, Delhi, 110001	51,008,712		93,404,004		2,746,791		141,665,925	
	Agriculture and food security, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Pama, Bihar, 800014	121,489,971		78,034,487		19,998,327		179,526,131	
	Agriculture and food security, Uttar Pradesh	15, Sufipura Huzarpur Road, Baharaich, Uttar Pradesh, 271801	-		1,687,238		1,687,178		60	

	Civil Society, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	13,300,304	702,881		1,107,451		12,895,734	
	Civil Society, Uttar Pradesh	15, Suffipura Huzurpur Road, Baharaich, Uttar Pradesh, 271801	-	83,219		83,219		-	
	Climate Change, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	231,955	185		232,140		-	
	Community Health, Delhi	Bada Batashewala Complex, Sunder Nursery, East, Delhi, Delhi, 110013	-	2,747,692		2,747,692		-	
	Community Health, Uttar Pradesh	15, Suffipura Huzurpur Road,, Baharaich, Uttar Pradesh, 271801	21,568	-		-		21,568	
	Early Childhood Development, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	9,326	1,343,049		618,156		734,219	
	Early Childhood Development, Delhi	Bada Batashewala Complex, Sunder Nursery, East, Delhi, Delhi, 110013	-	869,994		869,994		-	
	Early Childhood Development, Uttar Pradesh	15, Suffipura Huzurpur Road,, Baharaich, Uttar Pradesh, 271801	-	1,218,256		1,202,072		16,184	
	Health Build Environment, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	246,333	13,238,480		3,997,399		9,487,414	
	Health Build Environment, Delhi	Bada Batashewala Complex, Sunder Nursery, East, Delhi, Delhi, 110013	-	1,429,270		1,429,270		-	
	Nizamuddin Area Development Network	Bada Batashewala Complex, Sunder Nursery, Nizamuddin East, Delhi, Delhi, 110013	16,651,695	224,899,682		216,514,969		25,036,408	
	Saving, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	731,071	-		231,071		500,000	
	School Improvement Program	6 Bhagwan Dass Road, Delhi, Delhi, 110001	211,425	28		1,727		209,726	
	School Improvement Program, Bihar	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	310,892	4,300,241		3,182,020		1,429,113	
	School Improvement Program, Delhi	Bada Batashewala Complex, Sunder Nursery, Nizamuddin East, Delhi, Delhi, 110013	3,256,138	4,022,954		6,523,918		755,174	
	School Improvement Program, Hyderabad	Premises bearing Municipal No. 19-4-355/2, Hafeeza Towers, Kishan Bagh, Bahadurpura, Hyderabad, Telangan a, 500064	461,682	1,479,420		490,717		1,450,385	
	Water and Sanitation	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiekhpora, Patna, Bihar, 800014	8,211,228	71,536,182		9,949,213		69,798,197	

	Plot No. 1164, Lane Beside Shree Ganesh Vastralaya, Shiehpura, Patna, Bihar, 800014	1,508,576	1,080,818		2,251,672	337,722
Youth and Adult Education, Bihar						
	15, Suffipura Huzurpur Road, Baharaich, Uttar Pradesh, 271801	2,000	1,005,478		1,007,175	303
Youth and Adult Education, Uttar Pradesh						
		219,797,315	529,166,214	-	289,877,537	459,085,992

(b) Details of utilization of foreign contribution:

(i)	Total Utilisation** for projects as per aims and objectives of the association (Rs.)	289,877,537
(ii)	Total Administrative Expenses as provided in Rule 5, FCRR 2011 (Rs.)	25,401,314

** It is affirmed that the utilisation of foreign contribution is not in contravention of the provisions contained in FCRA, 2010 and more particularly in Section 9 and Section 12 of the Act which, inter-alia, states that the acceptance of foreign contribution is not likely to affect prejudicially.

- (A) the sovereignty and integrity of India; or
 (B) the security, strategic, scientific or economic interest of the State; or
 (C) the public interest; or
 (D) freedom or fairness of election to any legislature; or
 (E) friendly relations with any foreign State; or
 (F) harmony between religious, racial, social, linguistic or regional groups, castes or communities

(c) Total purchase of fresh assets (Rs.)

Sl. No.	Activity in the name of Association	Details	Purpose	Total (in Rs.)
(i)	Creation of movable assets	Furniture and Fixtures, Computer Equipments	Administration	959,626
	Creation of movable assets	Furniture and Fixtures, Computer Equipments	Area Development Network, Bihar	420,108
	Creation of movable assets	Furniture and Fixtures, Computer Equipments	Area Development Network, Uttar Pradesh	190,300
	Creation of movable assets	Office Equipments, Computer Equipments, Furniture and Fixtures, Vehicle	Nizamuddin Area Development Network	1,764,132
	Creation of movable assets	Office Equipment	Civil Society, Bihar	238,257
	Creation of movable assets	Computer Equipment	Health Build Environment, Bihar	171,000
	Creation of movable assets	Office Equipments, Computer Equipments	Agriculture and food security, Bihar	233,166
	Creation of movable assets	Office Equipments, Computer Equipments, Furniture and Fixtures	School Improvement Program, Hyderabad	139,992
	Creation of movable assets	Office Equipments, Computer Equipments	Water and Sanitation	193,820
(ii)	Creation of immovable assets			-
	Total			4,310,401

(d) FC Transferred to other associations

Sl. No.	Name of association	Date	Purpose	Amount
	Aga Khan Agency for Habitat, India	26-Apr-18	Social	4,400,000





Aga Khan Agency for Habitat, India	12-Jul-18	Social	2,000,000
Aga Khan Agency for Habitat, India	24-Sep-18	Social	1,499,000
Aga Khan Agency for Habitat, India	26-Oct-18	Social	1,000,000
Aga Khan Agency for Habitat, India	26-Nov-18	Social	2,900,000
Aga Khan Agency for Habitat, India	30-Jan-19	Social	500,000
Aga Khan Agency for Habitat, India	01-Mar-19	Social	1,360,000
Aga Khan Rural Support Programme, India	02-Jul-18	Educational	524,000
Aga Khan Rural Support Programme, India	12-Jul-18	Educational	360,000
Aga Khan Rural Support Programme, India	03-Oct-18	Educational	695,000
Aga Khan Rural Support Programme, India	16-Oct-18	Educational	277,000
Aga Khan Rural Support Programme, India	12-Apr-18	Social	27,000,000
Aga Khan Rural Support Programme, India	18-Apr-18	Social	10,798,649
Aga Khan Rural Support Programme, India	30-Apr-18	Social	3,000,000
Aga Khan Rural Support Programme, India	02-Jul-18	Social	9,000,000
Aga Khan Rural Support Programme, India	12-Jul-18	Social	7,843,000
Aga Khan Rural Support Programme, India	30-Jul-18	Social	2,860,000
Aga Khan Rural Support Programme, India	10-Aug-18	Social	10,000,000
Aga Khan Rural Support Programme, India	31-Aug-18	Social	7,100,000
Aga Khan Rural Support Programme, India	24-Sep-18	Social	3,942,000
Aga Khan Rural Support Programme, India	15-Oct-18	Social	23,200,000
Aga Khan Rural Support Programme, India	16-Oct-18	Social	1,700,000
Aga Khan Rural Support Programme, India	25-Oct-18	Social	11,400,000
Aga Khan Rural Support Programme, India	16-Nov-18	Social	15,430,000
Aga Khan Rural Support Programme, India	12-Dec-18	Social	6,700,000
Aga Khan Rural Support Programme, India	03-Jan-19	Social	10,000,000
Aga Khan Rural Support Programme, India	21-Jan-19	Social	1,651,000
Aga Khan Rural Support Programme, India	04-Feb-19	Social	4,000,000
Aga Khan Rural Support Programme, India	15-Feb-19	Social	25,000,000
Aga Khan Rural Support Programme, India	15-Mar-19	Social	3,830,000
Aga Khan Rural Support Programme, India	26-Mar-19	Social	1,110,000
Gram Swarajya Samiti Ghoshi	31-Jul-18	Social	692,000
Gram Swarajya Samiti Ghoshi	19-Sep-18	Social	660,000
Gram Swarajya Samiti Ghoshi	17-Dec-18	Social	576,000
Kaushalya Foundation	26-Apr-18	Social	2,500,000
Kaushalya Foundation	08-Aug-18	Social	2,500,000
Kaushalya Foundation	26-Nov-18	Social	1,500,000
Kaushalya Foundation	17-Dec-18	Social	800,000
Nav Jagriti	15-Mar-19	Social	1,850,000
Nav Jagriti	10-May-18	Social	6,300,000
Nav Jagriti	12-Jul-18	Social	2,684,000
Nav Jagriti	19-Sep-18	Social	1,650,000
Nav Jagriti	26-Oct-18	Social	2,500,000
Nav Jagriti	16-Nov-18	Social	1,900,000
Nav Jagriti	15-Mar-19	Social	2,600,000
Samagra Shikshan Ewam Vikas Sansthan	18-Apr-18	Social	3,590,000
Samagra Shikshan Ewam Vikas Sansthan	12-Jul-18	Social	2,100,000
Samagra Shikshan Ewam Vikas Sansthan	26-Oct-18	Social	1,500,000
Samagra Shikshan Ewam Vikas Sansthan	16-Nov-18	Social	800,000
Samagra Shikshan Ewam Vikas Sansthan	15-Mar-19	Social	1,300,000
Total			239,081,649
(c) Total utilisation in the year (Rs.) (b+c+d)			558,670,901

4 Details of unutilised foreign contribution:

(i) Total FC invested in term deposits (Rs.)

Sl. No.	Details	Total (in Rs.)
(i)	Opening Balance of FD	10,772,650
(ii)	FD made during the year	215,006,887
(iii)	Less: realisation of previous FD	59,272,650
	Closing balance of FD	166,506,887

(ii) Balance of unutilised foreign contribution, in cash/bank, at the end of the year

(a) Cash in hand	87,320
(b) in FC designated bank account	60,865,769
(c) in utilisation bank account(s)	16,170,994

5 Total number of foreigners working (salaried/ in honorary capacity):

6 Details of Land and Buildings remained unutilised for more than two years:

Sl. No.	Location of Land and Building	Year of acquisition	Purpose of Acquisition	Reason of unutilisation
	NIL	NIL	NIL	NIL

7 (a) Details of designated FC bank account for receipt of Foreign Contribution (As on 31st March of the year ending):

Sl. No.	Name of the Bank	Branch Address (with PIN code)	IFSC Code	Account No.
1	Development Credit Bank Limited	15, Hansalaya Building, Ground Floor, Connaught Place, North, Delhi, Delhi-110001	DCBL00000046	04611100011176

(b) Details of all utilization bank accounts for utilization of Foreign Contribution (As on 31st March of the year ending):

Sl. No.	Name of the Bank	Branch Address (with PIN code)	IFSC Code	Account No.
1	Development Credit Bank Limited	15, Hansalaya Building, Ground Floor, Connaught Place, North, Delhi, Delhi-110001	DCBL00000046	04612200000019
2	Development Credit Bank Limited	15, Hansalaya Building, Ground Floor, Connaught Place, North, Delhi, Delhi-110001	DCBL00000046	046122000000082
3	Canara Bank	18A, Pailiputra Colony, Patna, Bihar, Patna-800001	CNRB0002518	2518101007275
4	HDFC Bank	1180, Digha Gonda Road, Baharaich, Uttar Pradesh, Baharaich-271801	HDFC0000866	08661450000144

Declaration

I hereby declare that the above particulars furnished by me are true and correct.

I also affirm that the receipt of foreign contribution and its utilization have not been violative of any of the provisions of the Foreign Contribution (Regulation) Act, 2010, rules, notifications/ orders issued there under from time to time and the foreign contribution was utilized for the purpose(s) for which the association was granted registration/ prior permission by the Central Government

Place:
Date:

Ashish
ASHISH MERCHANT
Vice-Chairman, National Committee



Tinni Sawhney
TINNI SAWHNEY
Chief Executive Officer

SR

FONDATION AGA KHAN-INDIA BRANCH

Annexure A to Form FC-4

Administrative Expenses as provided in Rule 5, FCRR 2011 (Rs.)

Particulars	Amount (Rs.) for the year ended March 31, 2019	Adj. of Payables	Amount (Rs.) for the year ended March 31, 2019
Office/Administrative Expenses			
Salaries and allowances	14,839,355	(8,562)	14,830,793
Contribution to provident fund	857,426	(313,004)	544,422
Gratuity and superannuation	1,206,288		1,206,288
Staff welfare expenses	305,436	(2,400)	303,036
Staff recruitment and training expenses	1,129,378		1,129,378
Rent	1,362,392		1,362,392
Insurance	5,163		5,163
Repairs and maintenance	-		-
Building	479,550		479,550
Others	452,180		452,180
Vehicle running and maintenance	92,002		92,002
Electricity and water charges	604,991		604,991
Printing and stationery expenses	310,210		310,210
Postage and telephone	604,982	(18,246)	586,736
Travelling and conveyance	2,839,269	(223,610)	2,615,659
Auditors' remuneration	-		-
Audit fee	-		-
Out of Pocket	-		-
Legal and professional charges	598,626		598,626
Interest on GST	-		-
Miscellaneous expenses	18,667	43	18,710
Sub-Total (B)	25,705,915	(565,779)	25,140,136
IT recoverable		41,376	41,376
TDS deducted (D)		(491,017)	(491,017)
Prepaid Expenses		174,607	174,607
Advances and Security Deposit received back (E)		(160,082)	(160,082)
Advances and Security Deposit Paid (F)		160,557	160,557
Interest Accrued		535,737	535,737
Grand Total (A+B+C+D+E+F)	25,705,915	(304,601)	25,401,314

Note - The above amounts do not include expenses / additions to fixed assets/advances pertaining to specific projects



PART I – STATEMENT OF ASSETS AND LIABILITIES
FONDATION AGA KHAN (INDIA)
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2019
(In Rupee)

Particulars		Note No.	As at March 31, 2019	As at March 31, 2018
I.	FUNDS AND LIABILITIES			
1	General funds			
	(a) General Funds	1	2,886,521,080	3,112,271,322
2	Current liabilities			
	(a) Other current liabilities	2	341,904,750	-
	(b) Short-term provisions	3	2,104,618	-
	TOTAL		3,230,530,448	3,112,271,322
II.	ASSETS			
	Non-current assets			
1	(a) Properties, plant & equipments			
	(i) Tangible assets	4	1,544,587,234	1,627,955,090
	(ii) Intangible assets	4	254,740	400,273
	(iii) Capital work-in-progress		19,581,068	18,059,474
	(b) Non-current investments	5	576,421,800	571,366,957
2	Current assets			
	(a) Grants receivables	6	10,680,817	-
	(b) Cash and cash equivalents	7	963,891,566	852,293,286
	(c) Short-term loans and advances	8	93,614,831	32,210,956
	(d) Other current assets	9	21,498,392	9,985,286
	TOTAL		3,230,530,448	3,112,271,322

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

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

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



PLACE :
DATE : **23 SEP 2019**

[Signature]
Member, National Committee
For and on behalf of
Fondation Aga Khan (India Branch)



[Signature]
Chief Executive Officer
For and on behalf of
Fondation Aga Khan (India Branch)

PART II – STATEMENT OF INCOME AND EXPENDITURE
 FOUNDATION AGA KHAN (INDIA)
 INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2019
 (In Rupee)

Particulars		Note No.	For the year ending March 31, 2019			For the year ending March 31, 2018		
			FC	NON FC	Total	FC	NON FC	Total
I	Revenue from operations	11	90,882,434	338,041,445	428,923,879	89,263,606	346,178,463	435,442,069
II	Other Income (including Rs. 549,591 pertaining to previous year)	12	19,533,676	43,367,576	62,901,252	20,142,461	38,592,030	58,734,491
III	Total Income		110,416,110	381,409,021	491,825,131	109,406,067	384,770,493	494,176,560
IV	Expenses:							
	Programme / Project Partners		221,624,559	17,026,264	238,650,823	238,781,913	15,051,000	253,832,913
	Employee Benefits expenses	13	18,337,883	28,268,357	46,606,240	13,381,488	26,496,661	39,878,149
	Other Office /Administration Expenses	14	7,368,032	15,162,695	22,530,727	5,027,848	15,565,872	20,593,720
	Grant Expenses		10,049,791	267,216,442	277,266,233	0	0	0
	Other project related expenses		262,573,171	9,541	262,582,712	337,903,081	219,337,702	557,240,783
	Expenses related to properties		-	191,827	191,827	0	953,307	953,307
	Refund of unutilized Grant		-	1,780,176	1,780,176	0	864,136	864,136
	Loss on sale/write off of Fixed Assets		55	50	105	14	3	17
	Loss on sale/write off of restricted Fixed Assets		-	11	11	-	-	-
	Depreciation		84,977,302	15,783,258	100,760,560	90,812,220	3,484,582	94,296,802
V	TOTAL		604,930,793	345,438,621	950,369,414	685,906,564	281,753,263	967,659,827
VI	Surplus/ (Deficit) before extraordinary items and tax (IV - V)		(494,514,683)	35,970,399	(458,544,284)	(576,500,497)	103,017,230	(473,483,267)
VII	Extraordinary items - Prior period expenditure arising on account of change in method of accounting from Cash Basis to Accrual Basis (Note 10 statement of significant accounting policies)		30,634,562	296,387,445	327,022,007	-	-	-
VIII	Surplus/ (Deficit) for the period from continuing operations (VI-VII)		(525,149,245)	(260,417,046)	(785,566,291)	(576,500,497)	103,017,230	(473,483,267)

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

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

Notes referred to above form an integral part of the Income and Expenditure Account

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

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



[Signature]
 Member, National Committee
 For and on behalf of
 Fondation Aga Khan (India Branch)



[Signature]
 Chief Executive Officer
 For and on behalf of
 Fondation Aga Khan (India Branch)

PLACE :
 DATE :

23 SEP 2019

PART III - STATEMENT OF RECEIPT AND PAYMENT
 FOUNDATION AGA KHAN (INDIA)
 STATEMENT OF RECEIPT AND PAYMENT FOR THE YEAR ENDED 31ST MARCH 2019
 (In Rupee)


Particulars	Note No.	For the year ending March 31, 2019			For the year ending March 31, 2018		
		FC	NON FC	Total	FC	NON FC	Total
I. Opening Balance							
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
II. Donation for Corpus		-	121,447,501	121,447,501	-	204,839,933	204,839,933
III. Remittances from Head Office		438,368,547	-	438,368,547	487,444,279	-	487,444,279
IV. Grant Received	15	98,048,965	279,369,969	377,418,934	89,263,606	301,440,214	390,703,820
V. Interest Income (Net of TDS and accrued)		12,494,287	21,922,431	34,416,718	18,183,946	35,813,277	53,997,223
VI. Interest Income - Donor (Net of TDS)		784,805	13,368,105	14,152,910	-	-	-
VII. Interest on Income tax refund		11,206	327,117	338,323	-	-	-
VIII. Other Interest		11,862	-	11,862	-	-	-
IX. Rent from Immovable Properties (Net of TDS and receivable)		-	45,129,787	45,129,787	-	42,825,955	42,825,955
X. Sale of Old Fixed Assets		505,347	2,450	507,797	802,261	79,930	882,191
XI. Sale of Immovable Properties		-	1,225,786	1,225,786	-	-	-
XII. Refund of Unutilised Grants		-	-	-	652,585	1,762,194	2,414,779
XIII. Miscellaneous Income		29,640	164,875	194,515	27,821	980	28,801
XIV. Refund of Advances		13,413,235	5,849,105	19,262,340	13,946,144	17,419,542	31,365,686
XV. Refund of Security Deposits		166,500	-	166,500	108,400	25,000	133,400
XVI. Refund of grant by NGO partners		370,578	603,344	973,922	-	-	-
XVII. Advance for sale of property		-	250,000	250,000	-	-	-
XVIII. Income Tax refund		97,436	2,844,521	2,941,957	-	-	-
XIX. Total Receipts (I to XVI)		810,653,090	1,098,447,595	1,909,100,685	912,318,319	1,003,413,450	1,915,731,769
XX. Advances & Expenditure on Property work-in-progress, pending allocation		-	18,155,853	18,155,853	49,919,020	96,000,584	145,919,604
XXI. Payment of Security Deposits		176,000	-	176,000	47,800	19,000	66,800
XXII. Increase in prepaid expenses		1,414,388	973,453	2,387,841	-	-	-
XXIII. Additions to Assets		4,298,401	350,720	4,649,121	7,479,915	3,093,434	10,573,349
XXIV. Additions to Donor Assets		12,000	1,053,486	1,065,486	-	-	-
XXV. Addition to properties		-	-	-	-	14,782,852	14,782,852
XXVI. Advances Recoverable in cash or in kind or for value to be received		11,183,604	36,974,721	48,158,325	13,386,469	5,208,119	18,594,588
XXVII. Grant given to Sub Grantees		239,081,649	17,337,000	256,418,649	238,781,913	15,051,000	253,832,913
XXVIII. Employee Benefits expenses (Net of payable and provision)	13	17,432,846	26,573,956	44,006,802	13,420,076	26,496,661	39,916,737
XXIX. Other Office /Administration Expenses (Net of Payable)	14	7,115,304	11,812,457	18,927,761	5,027,848	15,565,872	20,593,720
XXX. Repair and Maintenance of Properties		-	191,827	191,827	-	953,307	953,307
XXXI. Grant Expenses		9,962,208	262,973,809	272,936,017	-	-	-
XXXII. Other Project Related Expenses		276,345,720	9,541	276,355,261	337,904,596	219,435,881	557,340,477
XXXIII. Refund of Grant		-	1,780,176	1,780,176	-	864,136	864,136
XXXIV. Closing Balances :							
Cash		87,320	91,477	178,797	117,629	63,665	181,294
Bank		77,036,763	294,065,328	371,102,091	235,460,403	602,768,747	838,229,150
Deposits		166,506,887	426,103,791	592,610,678	10,772,650	3,110,192	13,882,842
XXXV. Total Payments (XVII to XXVII)		810,653,090	1,098,447,595	1,909,100,685	912,318,319	1,003,413,450	1,915,731,769

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

B. S. Sistani

B. S. Sistani
 Partner
 Membership No.080301
23 SEP 2019

Asim
 Member, National Committee
 For and on behalf of
 Foundation Aga Khan (India Branch)

Mani Pasberg
 Chief Executive Officer
 For and on behalf of
 Foundation Aga Khan (India Branch)



FONDATION AGA KHAN (INDIA)

Note 1 General funds

(In Rupee)

<u>General funds</u>	As at March 31, 2019	As at March 31, 2018
Opening Balance	3,112,271,322	2,893,470,377
Add: Donation received for corpus	121,447,501	204,839,933
Add: Funds received form head office	438,368,547	487,444,279
Less: Excess of expenditure over income (Deficit)	785,566,291	473,483,267
Total	2,886,521,080	3,112,271,322



FONDATION AGA KHAN (INDIA)

Note 2 Other current liabilities

(In Rupee)

<u>Other current liabilities</u>	As at March 31, 2019	As at March 31, 2018
Grants received in advance	308,531,144	-
Grants payable	2,579,290	-
Statutory Liability	4,779,002	-
Retention Money	7,954,167	-
Advance for sale of Property	250,000	-
Expenses payable	17,811,147	-
	341,904,750	-

Note 3 Short term provisions

(In Rupee)

<u>Short term provisions</u>	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity	2,104,618	-
	2,104,618	-



FOUNDATION AGA KHAN (INDIA)
NOTE - 4 Fixed Assets As At March 31, 2019

Asset Categorization	Gross Block						Depreciation		Net Block	
	Balance as at 31.03.2018	Addition during the year	Adjustment during the year	Deduction / sale during the year	Balance as at 31.03.2018	Provided during the year	Adjustment during the year	Balance as at 31.03.2018	Balance as at 31.03.2019	As at 31.03.2018
(A) Assets Acquired from Own Funds										
(a) Land (Refer part III(I) of note 10)	1									
(b) Buildings	1,886,794,507				1,886,794,507			63,018,931	358,705,117	1,591,108,321
(c) Furniture & Fixtures	205,759,196	3,655,208		131,364	209,283,040	295,686,186	10,075,289	131,299	1,959,909	8,380,055
(d) Vehicles	15,532,306	363,246		1,076,236	14,819,296	197,379,141	3,331,920	1,597,535	4,243,880	6,891,275
(e) Office Equipments	136,123,356	9,398,845		2,916,620	142,605,581	118,204,298	18,982,119	2,916,548	8,335,713	17,919,059
(f) Electrical Installations	39,863,353				39,863,353	38,017,632	866,871		978,850	1,845,721
(g) Computers and related Equipments	21,856,548	2,764,372		1,473,926	23,147,194	20,046,223	3,902,019	1,780,133	979,085	1,810,325
(h) Leasehold improvements	10,339,739				10,339,739	10,339,738				
(i) Cycles	255,200				255,200	255,119			255,119	81
Tangible Assets	2,316,524,205	16,181,871		5,598,166	2,327,107,910	688,569,368	100,377,149	6,425,515	782,521,002	1,627,984,838
(j) Software	1,401,341				1,401,341	1,001,069	145,533		1,146,602	400,272
Intangible Assets	1,401,341				1,401,341	1,001,069	145,533		1,146,602	400,272
Total	2,317,925,546	16,181,871		5,598,166	2,328,509,251	689,570,437	100,522,682	6,425,515	783,667,604	1,628,385,110



FOUNDATION AGA KHAN (INDIA)
NOTE - 4 Fixed Assets As At March 31, 2019

Asset Categorisation	Gross Block				Depreciation			Net Block	
	Balance as at 31.03.2018	Addition during the year	Adjustment during the year	Deduction / sale during the year	Balance as at 31.03.2019	Provided during the year	Adjustment during the year	Balance as at 31.03.2019	As at 31.03.2018
(B) Assets Acquired from Donor Funds									
(a) Land	-	-	-	-	-	-	-	-	-
(b) Buildings	-	-	-	-	-	-	-	-	-
(c) Furniture & Fixtures	128,625	154,535	-	-	283,160	154,512	-	283,047	113
(d) Vehicles	395,525	-	-	-	395,525	-	-	395,518	7
(e) Office Equipments	2,225,689	631,846	-	165,938	2,691,597	631,801	165,934	2,691,468	129
(f) Electrical Installations	-	-	-	-	-	-	-	-	-
(g) Computers and related Equipments	1,536,550	279,105	-	-	1,815,655	279,096	-	1,815,579	76
(h) Leasehold improvements	-	-	-	-	-	-	-	-	-
(i) Cycles	-	-	-	-	-	-	-	-	-
Tangible Assets	4,286,389	1,065,486	-	165,938	5,185,937	1,065,409	165,934	5,185,612	325
(j) Software	112,360	-	-	-	112,360	-	-	112,359	1
Intangible Assets	112,360	-	-	-	112,360	-	-	112,359	1
	4,398,749	1,065,486	-	165,938	5,298,297	1,065,409	165,934	5,297,971	326
Total	2,322,324,295	17,247,357	-	5,764,104	2,333,807,548	101,588,091	6,591,419	788,965,575	1,544,841,974
Total Assets(A+B)									1,628,355,363



FONDATION AGA KHAN (INDIA)

Note 5 Non-current investments

(In Rupee)

Immovable Properties	As at March 31, 2019	As at March 31, 2018
Opening Balance	571,366,957	526,983,507
Add: Additional during the year	5,070,743	44,383,450
Less: Deletion during the year	-15,900	-
Total	576,421,800	571,366,957



FONDATION AGA KHAN (INDIA)

Note 6 Grants receivable

(In Rupee)

Grants Receivable	As at March 31, 2019	As at March 31, 2018
Rizwan Adatia Foundation	5,406,238	-
Government of India	1,344,538	-
Sir Ratan Tata Trust	205,345	-
Unicef	3,392,486	-
Coastal Salinity Prevention Cell	332,210	-
Total	10,680,817	-



FONDATION AGA KHAN (INDIA)

Note 7 Cash and cash equivalents

(In Rupee)

<u>Cash & Cash Equivalents</u>	As at March 31, 2019	As at March 31, 2018
(a) Cash in hand	178,797	181,294
(b) Balances with banks		
(i) In Saving accounts	371,102,091	838,229,150
(ii) In Fixed deposit accounts		
Maturity less than 12 months	592,506,887	10,772,650
Maturity more than 12 months	103,791	3,110,192
Total	963,891,566	852,293,286



FONDATION AGA KHAN (INDIA)

Note 8 Short term loans and advances

(In Rupee)

<u>Unsecured and considered good</u>		As at March 31, 2019	As at March 31, 2018
(a)	Advance to staff	227,703	503,955
(b)	Advance to suppliers/ contractors	52,409,426	25,071,519
(c)	Advance others	2,212,652	113,241
(d)	Advance with sub-grantees	30,089,283	-
(e)	Capital advance	6,265,326	6,522,241
(f)	Miscellaneous receivable	22,600	-
(g)	Prepaid expenses	2,387,841	-
Total		93,614,831	32,210,956



FONDATION AGA KHAN (INDIA)
Note 9 Other current assets

(In Rupee)

<u>Other current assets</u>	As at March 31, 2019	As at March 31, 2018
(a) Security deposit	2,995,700	2,986,200
(b) TDS receiveable	8,533,842	6,999,086
(c) Rent receivable	1,000	-
(d) Interest accrued but not due on fixed deposits	9,967,850	-
Total	21,498,392	9,985,286



FONDATION AGA KHAN (INDIA)
Note 11 Revenue form operations

(In Rupee)

Revenue form operations			For the year ending March 31, 2019			For the year ending March 31, 2018		
			FC	NON FC	Total	FC	NON FC	Total
(a)	Grants received	11(a)	90,882,434	290,535,406	381,417,840	89,263,606	301,440,214	390,703,820
(b)	Rent from immovable properties		-	47,506,039	47,506,039	-	44,738,249	44,738,249
Total			90,882,434	338,041,445	428,923,879	89,263,606	346,178,463	435,442,069

Note 12 Other income

(In Rupee)

Other Income			For the year ending March 31, 2019			For the year ending March 31, 2018		
			FC	NON FC	Total	FC	NON FC	Total
(a)	Interest	12(a)	18,998,757	41,990,367	60,989,124	18657972	36749014	55,406,986
(b)	Gain on sale of fixed assets		505,145	2,199	507,344	802,148	79,842	881,990
(c)	Gain on sale of restricted fixed assets		134	249	383	-	-	-
(d)	Gain on sale of immovable properties		-	1,209,886	1,209,886	-	-	-
(e)	Refund of unutilised grants		-	-	-	652,585	1,762,194	2,414,779
(f)	Miscellaneous Income		29,640	164,875	194,515	29,756	980	30,736
Total			19,533,676	43,367,576	62,901,252	20,142,461	38,592,030	58,734,491



FONDATION AGA KHAN (INDIA)
Note 11 (a) Grants received

(In Rupee)

Donor agencies		For the year ending March 31, 2019			For the year ending March 31, 2018		
		FC	NON FC	Total	FC	NON FC	Total
(a)	American Embassy, New Delhi	2,290,524.00		2,290,524	5,926,791	-	5,926,791
(b)	Australlian High Commision	1,348,937		1,348,937	33,650	-	33,650
(c)	C&A Foundation	82,070,026		82,070,026	76,953,648	-	76,953,648
(d)	The Federal Republic of Germany	4,818,173		4,818,173	3,849,718	-	3,849,718
(e)	Government of India		140,089,293	140,089,293	-	148,435,549	148,435,549
(f)	Coastal Salinity Prevention Cell		4,445,116	4,445,116	-	4,100,000	4,100,000
(g)	Havells India Limited		29,812,624	29,812,624	-	67,500,000	67,500,000
(h)	Hilti India Private Limited		13,552,910	13,552,910	-	7,000,000	7,000,000
(i)	Interglobe Foundation		13,210,878	13,210,878	-	21,300,000	21,300,000
(j)	Jamshed Tata Trust		245,441	245,441	-	12,292,000	12,292,000
(k)	National Bank for Agriculture and Rural Development		484,536	484,536	-	777,300	777,300
(l)	Reckitt Benckiser (India) Private Limited		18,989,914	18,989,914	12,691,090	-	12,691,090
(m)	Rizwan Adatia Foundation		13,593,733	13,593,733	-	9,850,230	9,850,230
(n)	Small Industries Development Bank of India		-	-	-	1,113,922	1,113,922
(o)	Sir Dorabji Tata Trust		19,851,713	19,851,713	-	8,446,000	8,446,000
(p)	Sir Ratan Tata Trust		11,698,080	11,698,080	-	7,097,000	7,097,000
(q)	United Nation Population Fund		-	-	-	2,521,546	2,521,546
(r)	United Way of Hyderabad	59,830	1,945,167	2,004,997	815,376	-	815,376
(s)	WS Atkins Private Ltd.	294,944		294,944	-	-	-
(t)	Government of Telangana		1,127,907	1,127,907	-	-	-
(u)	HFDC Bank Limited		10,980,480	10,980,480	-	-	-
(v)	Unicef		10,389,279	10,389,279	-	-	-
(w)	Deloitte Charitable Foundation		118,335	118,335	-	-	-
Total		90,882,434	290,535,406	381,417,840	100,270,273	290,433,547	390,703,820



FONDATION AGA KHAN (INDIA)
 Note 12(a) Interest income

(In Rupee)

Interest Income	For the year ending March 31, 2019			For the year ending March 31, 2018		
	FC	NON FC	Total	FC	NON FC	Total
(a) Interest	18,190,884	28,291,233	46,482,117	18,657,972	36,749,014	55,406,986
(b) Interest on unspent donor funds	784,805	13,372,017	14,156,822	-	-	-
(c) Interest on income tax refund	11,206	310,820	322,026	-	-	-
(d) Interest on income tax refund - donor funds	-	16,297	16,297	-	-	-
(e) Other Interest	11,862	-	11,862	-	-	-
Total	18,998,757	41,990,367	60,989,124	18,657,972	36,749,014	55,406,986



(In Rupee)

Particulars	For the year ending March 31, 2019			For the year ending March 31, 2018		
	FC	NON FC	Total	FC	NON FC	Total
(a) Salaries and allowances	14,839,355	23,136,883	37,976,238	11,661,630	21,832,513	33,494,143
(b) Contribution to provident fund	857,426	1,454,833	2,312,259	675,486	1,318,523	1,994,009
(c) Gratuity and superannuation	1,206,288	2,231,845	3,438,133	137,706	1,141,420	1,279,126
(d) Staff welfare expenses	305,436	232,940	538,376	428,102	172,719	600,821
(e) Staff recruitment and training expenses	1,129,378	1,211,856	2,341,234	478,564	2,031,486	2,510,050
Total	18,337,883	28,268,357	46,606,240	13,381,488	26,496,661	39,878,149

Note 14 Other office /administration expenses

(In Rupee)

Particulars	For the year ending March 31, 2019			For the year ending March 31, 2018		
	FC	NON FC	Total	FC	NON FC	Total
(a) Rent	1,362,392	4,355,499	5,717,891	380,990	5,328,918	5,709,908
(b) Insurance	5,163	81,077	86,240	96,202	-	96,202
Repairs and maintenance						
(c) Building	479,550	835,100	1,314,650	338,777	894,795	1,233,572
(d) Others	452,180	628,948	1,081,128	263,197	665,238	928,435
(e) Vehicle running and maintenance	92,002	69,626	161,628	177,731	201,464	379,195
(f) Electricity and water charges	604,991	1,038,384	1,643,375	274,959	1,034,552	1,309,511
(g) Printing and stationery expenses	310,210	470,981	781,191	143,319	435,018	578,337
(h) Postage and telephone	604,982	793,429	1,398,411	318,837	1,066,895	1,385,732
(i) Travelling and conveyance	2,839,269	2,477,456	5,316,725	2,328,307	3,129,833	5,458,140
(j) Auditors' remuneration						
Audt fee (including GST)	-	472,000	472,000	472,000	-	472,000
Out of pocket	-	1,936	1,936	-	-	-
(k) Legal and professional charges	598,626	2,286,406	2,885,032	213,227	2,342,144	2,555,371
(l) Interest on GST	-	1,403,115	1,403,115	-	-	-
(m) Miscellaneous expenses	18,667	248,738	267,405	20,302	467,015	487,317
Total	7,368,032	15,162,695	22,530,727	5,027,848	15,565,872	20,593,720



FONDATION AGA KHAN (INDIA)

Note 15 Grant received

(In Rupee)

Donor agencies	For the year ending March 31, 2019			For the year ending March 31, 2018		
	FC	NON FC	Total	FC	NON FC	Total
(a) American Embassy, New Delhi	4,359,588		4,359,588	5,926,791	-	5,926,791
(b) Australian High Commission	1,653,650		1,653,650	33,650	-	33,650
(c) C&A Foundation	90,433,491		90,433,491	76,953,648	-	76,953,648
(d) Coastal Salinity Prevention Cell		4,000,000	4,000,000		4,100,000	4,100,000
(e) Deloitte Charitable Foundation		2,800,000	2,800,000	-	-	-
(f) Government of India		89,203,000	89,203,000	-	148,435,549	148,435,549
(g) Government of Telangana		19,465,294	19,465,294	-	-	-
(h) Havells India Limited		82,500,000	82,500,000	-	67,500,000	67,500,000
(i) HFDC Bank Limited		11,919,623	11,919,623	-	-	-
(j) Hillti India Private Limited		4,000,000	4,000,000	-	7,000,000	7,000,000
(k) Interglobe Foundation		3,136,560	3,136,560	-	21,300,000	21,300,000
(l) Jamshed Tata Trust		5,553,000	5,553,000	-	12,292,000	12,292,000
(m) National Bank for Agriculture and Rural Development		551,436	551,436	-	777,300	777,300
(n) Reckitt Benckiser (India) Private Limited		20,450,544	20,450,544	2,260,740	10,430,350	12,691,090
(o) Rizwan Adatia Foundation		5,868,088	5,868,088	-	9,850,230	9,850,230
(p) Sir Dorabji Tata Trust		8,306,000	8,306,000	-	8,446,000	8,446,000
(q) Sir Ratan Tata Trust		5,800,000	5,800,000	-	7,097,000	7,097,000
(r) Small Industries Development Bank of India		6,307,663	6,307,663	-	1,113,922	1,113,922
(s) The Federal Republic of Germany	1,602,236		1,602,236	3,849,718		3,849,718
(t) Unicef		6,996,792	6,996,792	-	-	-
(u) United Nation Population Fund				-	2,521,546	2,521,546
(v) United Way of Hyderabad		2,511,969	2,511,969	239,059	576,317	815,376
Total	98,048,965	279,369,969	377,418,934	89,263,606	301,440,214	390,703,820



Foundation Aga Khan
Financials for the year ended March 31, 2019

Note 10 - Significant Accounting Policies and Notes to Accounts

I. Background of the Foundation

The Foundation established its office in India in year 1978 to carry out its philanthropic objects as set out in its Charter with the permission obtained from the Reserve Bank of India ("RBI") under section 29(1)(a) of the Foreign Exchange Regulation Act, 1973. On July 3, 1978, the Foundation was granted registration under section 592 of the Companies Act, 1956, as a branch of a foreign company. The Foundation is also registered under section 12AA of the Income Tax Act, 1961.

The Foundation is registered under section 10(23C)(iv) of the Income Tax Act, 1961 for exemption from income tax vide order dated June 3, 2010 from the Ministry of Finance, Department of Revenue, and has necessary approvals from the Ministry of Home Affairs to receive donations from foreign sources in accordance with the provisions of the Foreign Contribution Regulation Act, 1976.

II. Significant Accounting Policies

1. **Basis of Accounting**

The financial statements have been drawn up on a historical cost convention using accrual basis of accounting. The Aga Khan Foundation has moved to accrual basis of accounting with effect from 1st April 2018, as a result there of previous year's figures are not comparable.

2. **Tangible and Intangible Assets**

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

Individual assets received as donation/ gift are recognized in the books of account at an amount, if any, incurred by the Foundation from its own funds for bringing the assets to their working condition for intended use or Re. 1, whichever is higher.

The donations received in kind, except donated fixed assets, are not valued or accounted for in the books of account,

3. **Depreciation/ Amortization**

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

<u>Block of Assets</u>	<u>Rate</u>
Leasehold improvements	20%/Period of Lease
Buildings	3.34%



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<u>Block of Assets</u>	<u>Rate</u>
Computers and Related Equipments	33.33%
Furniture and Fixtures	20%
Office Equipment	20%
Vehicles	25%
Electrical Installations	20%
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 equivalent to USD 5,000 converted into Indian Rupees at an exchange rate prevalent at the date of implementation of Head Office's policy, are fully depreciated in the year of purchase.

4. **Investment Properties**

Long-term Investment properties (comprises of Land and Building constructed thereon) are valued at historical cost and no depreciation is charged on such investment properties. It includes properties gifted by individual/ corporate donors to the Foundation to carry on its philanthropic work, which are accounted for at nominal value. The stamp duty paid in relation to these properties and additions to a property in the nature of additional construction/ upgradation is added to the value of a property. As at year end date, advance received for sale of properties pending signing of legal documents is shown as 'advance received' under current liabilities. The gain on sale of investment properties is recorded as an income in the year of signing of legal documents and on receipt of actual amount of sales proceeds.

5. **Grant Income**

Grants sanctioned from donor agencies or Government assistance against approved programme are accounted for in proportion to the expenditure accrued/approved. Unrealised amount of grant and assistance is shown as 'Receivable', subject to certainty of realisation.

The unspent amount of grants is carried forward as Deferred Income under the broad head Current Liabilities. Any unspent grant is reduced from Current Liabilities, at the time of refund of the same or at the time of future use in accordance with the mandate of the grant agency.

Component of Grants utilised for meeting cost of capital assets against specific direction for acquisition of fixed assets are classified under "Current Liabilities" and classified as "Deferred Income for Capital Assets", equivalent to cost of assets. This fund is reduced annually with an amount equivalent to depreciation provided on corresponding fixed assets.

Donation received with specific purpose and general grants are recognised as an income in the year of receipt.



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Note 10 - Significant Accounting Policies and Notes to Accounts

6. Foreign Currency Transaction:

Grants receivable and/ or grants refundable in foreign currency are stated in annual accounts at rates prevailing at the year end. Thereafter, at the time of actual receipt/ payment, the difference in exchange rate between the rates prevailing and rates at the end of the year, are accounted for under the exchange rate fluctuation account.

7. Foreign Inward Remittances

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

The remittances received from head office are taken as contribution towards AKF (India)'s General Fund.

8. Employee benefits

a) Defined Contribution Plans

- Provident Fund: All employees of the Foundation 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 on accrual basis.
- Superannuation: Some employees of the Foundation 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 financial statement, on accrual thereof to the LIC.

b) Defined Benefit Plan: Gratuity

The Foundation provides annual contribution to the Aga Khan Foundation Gratuity Trust on the basis of independent actuarial valuation given by SBI Life Insurance Company Limited (SBI Life), with whom Gratuity Trust is having defined benefit retirement plan. Under this gratuity plan (which is a defined benefit retirement plan), the contributions are made to SBI based on actuarial valuations as per Projected Unit Credit Method. The liability for gratuity is funded annually to a gratuity fund maintained with SBI Life. Provision is created as on close of financial year on the basis of independent actuarial valuation.

9. 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 financials on an accrual basis.

10. Expenses

The expenses are clearly identified with the period. Such costs are regarded as 'period costs' and are expensed in the relevant period, e.g., salaries, telephone, travel costs, depreciation on fixed assets etc. Similarly, the costs of the benefits which do not clearly extend beyond the accounting period are also charged as expenses in the same accounting period. Expenses



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relating to a future period are accounted for as prepaid expenses even though they are paid for in the current accounting period. Similarly, expenses of the current year, for which payment has not yet been made (outstanding expenses), are charged in the current accounting period.

11. Programme Implementation Expenditure:

Operational Expenditure at Spearhead terms are considered as programme implementation Expenditure and is disclosed as a part of Programme Expenses.

12. Income Tax

The Foundation has received the approval for exemption from income tax, from the prescribed authorities under Section 10 (23C)(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.

III. Notes to 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 Aga Khan Foundation 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. All foreign inward remittances are received exclusively in saving account (No.04611100011176) maintained with DCB Bank.

3. Employee Benefits

Defined contribution plans

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

	Current Year Rs.	Previous Year Rs.
Foundation`s contribution to provident fund	8,654,571	7,726,551
Foundation`s contribution to superannuation fund	171,754	162,433

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 March 31, 2019	As at December 31, 2017
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 thereafter	5.00%	5.00%



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Defined Benefit Plan amounts aggregating to Rs. 6,465,955 (Previous year Rs. 4,142,789) have been recognized as expense during the year.

4. The Foundation has entered into leasing arrangements in respect of operating lease as lessee for office. The rent charged to income and expenditure account relating to operating lease during the year is Rs. 8,689,200 (Previous year Rs. 8,355,044). Terms of the lease include terms for renewal, increase in rents in future periods and terms of cancellation, where applicable.
5. In the current year the, Foundation has adopted the accrual system of accounting. As a result, thereof, income and expenditure pertaining to previous year have been included in the current year's accounts. The net effect is increase in expenditure over income amounting to Rs. 326,472,416.

Particulrs	(In Rupee)
Interest Income of Prior Year Booked in Current Year	-549,591
Current Year Expenses Paid in Previous Year	-1,792,089
Previous Year Expenses Booked in Current Year	37,728,502
Current Year Grant Income Booked in Previous Year	308,315,664
Prior period Grant Income Booked in Current Year	-6,513,978
Current Year Sub-Grantee's Expenditure Booked in Previous Year	-14,374,211
Prior Period Sub-Grantee's Expenses Booked in Current Year	3,658,119
	326,472,416



A. Sultan

23 SEP 2019

