

**PUBLIC HEALTH FOUNDATION OF INDIA ( FCRA Account)**

**Registered Address: ISID Campus, 4 Institutional Area, Vasant Kunj, New Delhi-110070.**

**Gurgaon Office Address: Plot No. -47, Sector -44, Gurgaon, Haryana -122002**

**Registration no. under the Societies Registration Act,1860 : S-54840**

**BALANCE SHEET AS AT 31ST MARCH, 2016**

	Schedules	As at 31 March, 2016 Rupees	As at 31 March, 2015 Rupees
<b>SOURCES OF FUNDS</b>			
<b>Foreign Projects Fund</b>			
a) Unspent Balance transferred from Receipt & Payment Account		1,71,45,35,694	1,50,28,10,756
b) Capital Assets Fund	A	36,81,39,541	24,57,56,087
c) Corpus Fund		5,54,70,509	25,94,66,502
<b>TOTAL</b>		<b>2,13,81,45,744</b>	<b>2,00,80,33,346</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets at Cost</b>	A	36,81,39,541	24,57,56,087
<b>Current Assets</b>			
a) Cash in Hand		3,456	85,094
b) Balance in Bank Account		5,36,83,417	11,77,20,381
c) Balance in Fixed Deposit Account		1,52,10,25,876	1,46,98,99,876
d) Loans & Advances	B	15,49,82,764	13,88,18,157
e) Security Deposit	B	4,03,10,690	3,57,53,750
		<b>1,77,00,06,203</b>	<b>1,76,22,77,259</b>
<b>Net Current Assets</b>		<b>1,77,00,06,203</b>	<b>1,76,22,77,259</b>
<b>Total</b>		<b>2,13,81,45,744</b>	<b>2,00,80,33,346</b>
Significant Accounting Policies and Notes to Accounts (As per Schedule 'D')			

This is the Balance Sheet referred to in our certificate of even date

The schedules referred to above form an integral part of this Balance Sheet

For Ajay K. Sud & Associates  
Chartered Accountants  
Firm registration No. 03939N

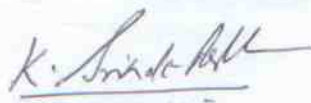
Ravi Gupta  
Partner

Membership No. : 086728

Place : New Delhi

Date : December 19, 2016

For and on behalf of  
Public Health Foundation of India

  
Dr. K.S. Reddy  
President

  
Anil Chugh  
Vice President  
Finance & Resources



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**INCOME AND EXPEDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016**

Particular's	Year ended 31-Mar-16	Year ended 31-Mar-15
<b>Income</b>		
Grants income	1,79,61,91,957	1,69,65,62,233
Interest income	1,32,17,206	3,58,27,934
Other income	10,59,898	62,68,705
	<b>1,81,04,69,061</b>	<b>1,73,86,58,872</b>
<b>Expenditure</b>		
Employee benefits cost	5,37,878	6,90,84,505
Program expenditure	1,78,14,59,417	1,69,75,10,181
Project and other related expenses	1,18,91,958	73,66,828
Administrative and other expenses	3,32,62,055	5,05,15,461
Depreciation and amortisation	2,55,16,630	2,43,23,001
	<b>1,85,26,67,938</b>	<b>1,84,87,99,976</b>
<b>Deficit for the year</b>	<b>(4,21,98,877)</b>	<b>(11,01,41,104)</b>
Depreciation transferred to capital assets fund	2,55,16,630	2,43,23,001
<b>Deficit for the year before prior period and extraordinary items</b>	<b>(1,66,82,247)</b>	<b>(8,58,18,103)</b>
Prior period income	-	1,63,79,576
<b>Deficit transferred to specified fund/general fund</b>	<b>(1,66,82,247)</b>	<b>(6,94,38,527)</b>

This is the Income and Expenditure account referred to in our certificate of even date

The schedules referred to above form an integral part of this Income and expenditure Account

For Ajay K Sud & Associates

Chartered Accountants

Firm registration No.03939N

  
Ravi Gupta

Partner

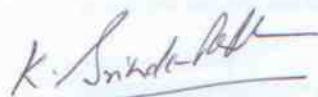
Membership No. : 086728

Place : New Delhi

Date : December 19, 2016

For and on behalf of

Public Health Foundation of India



Dr. K.S. Reddy

President



Anil Chugh

Vice President

Finance & Resources





**PUBLIC HEALTH FOUNDATION OF INDIA ( FCRA Account)**

Registered Address: ISID Campus, 4 Institutional Area, Vasant Kunj, New Delhi-110070.

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Registration no. under the Societies Registration Act,1860:S-54840

**RECEIPTS AND PAYMENTS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016**

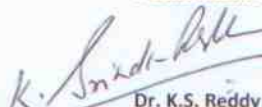
PARTICULARS		31st March, 2016		31st March, 2015	
		(Rupees)		(Rupee)	
Opening Balance			1,76,22,77,259		2,01,35,69,649
<b>Add : Receipts</b>					
Foreign Contributions received during the year					
a) Grants/ donations received			1,90,11,42,665		1,30,53,43,338
b) Other receipts			53,80,219		1,96,36,269
c) Interest received on fixed deposits			2,91,98,796		3,32,39,995
d) Interest received on designated fund, FCRA Bank accounts			15,10,302		10,16,66,750
e) Interest received on sub grant to NGOs			6,78,210		3,65,050
f) Corpus Fund			16,91,475		24,89,054
			<b>3,70,18,78,926</b>		<b>3,47,63,10,106</b>
<b>Less : Payments</b>					
Grants Utilised for :					
<b>Research Activities</b>					
(i) Survey for socio-economic and other welfare programs		1,76,37,97,378			
(ii) Establishment Expenses:					
- Salaries & Honorarium		5,37,878			
- Purchase of Fixed Assets	A	12,23,83,454			
- Other Establishment Expenses	C	4,38,12,120			
			1,93,05,30,830		1,71,16,61,508
<b>Other Activities</b>					
- Establishment of Public Health Institutes			13,41,893		23,71,339
Security Deposit			4,03,10,690		
Loan & Advances			15,49,82,764		
<b>Total Payments</b>			<b>2,12,71,66,177</b>		<b>1,71,40,32,847</b>
<b>Closing Balance</b>			<b>1,57,47,12,749</b>		<b>1,76,22,77,259</b>
Significant Accounting Policies and Notes to Accounts	D				

This is the Receipts & Payments account referred to in our certificate of even date

The schedules referred to above form an integral part of this Receipts and Payments Account

For **Ajay K Sud & Associates**  
Chartered Accountants  
Firm registration No.03939N  
  
**Ravi Gupta**  
Partner  
Membership No. : 086728

For and on behalf of  
**Public Health Foundation of India**

  
**Dr. K.S. Reddy**  
President

  
**Anil Chugh**  
Vice President - Finance & Resources

Place : New Delhi  
Date : December 19, 2016



**PUBLIC HEALTH FOUNDATION OF INDIA ( FCRA Account)**  
**SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET**  
**AS AT 31ST MARCH 2016**

**SCHEDULE-A**  
**FIXED ASSETS (AT COST)**

ASSETS	Gross Block		
	As At 1-Apr-15	Additions during the Year	As At 31-Mar-16
Capital work in progress including Capital Advances	20,48,04,666	12,22,70,054	32,70,74,720
Leasehold Improvements	80,31,426	-	80,31,426
Computer Equipments	1,26,35,978	1,01,350	1,27,37,328
Office Equipment	1,22,61,281	-	1,22,61,281
Furniture & Fixtures	35,32,074	12,050	35,44,124
Medical Equipment	2,17,408	-	2,17,408
Vehicles	21,01,053	-	21,01,053
Software Expenses	21,72,201	-	21,72,201
<b>TOTAL</b>	<b>24,57,56,087</b>	<b>12,23,83,454</b>	<b>36,81,39,541</b>
<b>Previous Year</b>	<b>21,78,45,828</b>	<b>2,79,10,259</b>	<b>24,57,56,087</b>

*K. Srinivas Reddy*

*[Handwritten Signature]*



**PUBLIC HEALTH FOUNDATION OF INDIA ( FCRA Account)**  
**SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET**  
**AS AT 31ST MARCH 2016**

**SCHEDULE-B**  
**Current Assets**

	Total (Rs)
Advances to Staff/Parties	15,49,82,764
Security Deposits	4,03,10,690
<b>Total</b>	<b>19,52,93,454</b>

**SCHEDULE-C**  
**Other Establishment Expenses**

	Total (Rs)
Rent	3,23,93,770
Legal and professional charges	1,40,386
Travel and conveyance	72,065
Communication expenses	2,42,404
Repairs and maintenance	1,07,986
Electricity and water charges	95,047
Insurance	15,293
Hostel expenses	94,589
Printing and stationery	6,629
Office and miscellaneous expenses	93,885
Society sponsored programme expenses	1,05,50,065
<b>Total</b>	<b>4,38,12,120</b>

*K. Sankar-Belle* *[Signature]*





## Public Health Foundation of India ( FCRA Account)

Schedule 'D'

### Significant Accounting Policies & Notes to Accounts

1. Basis of Accounting - The accounts have been drawn up on a historical cost convention and are on cash basis except for amounts receivable from local funds.
2. Fixed Assets - Fixed Assets purchased out of foreign funds during the year are shown as utilization in the Receipts and Payments account and disclosed in the Balance Sheet at cost as invested out of Foreign Contribution received.
3. Foreign Inward Remittances - Remittances received from various international donors through normal banking channels are recorded at the exchange rates as advised by the bank.
4. Public Health Foundation of India (PHFI or Society) is registered under the Foreign Contribution (Regulation) Act, 2010 (FCRA) and accordingly maintains separate books of account for foreign receipts/contributions and utilization thereof and for non-FCRA receipts/utilization.

The Society has renewed the registration under the Foreign Contribution (Regulation) Act, 2010/ Foreign Contribution (Regulation) Rules, 2011, for carrying out activities of social nature with registration number 231660927 dated 4 August 2016 for the period from 1 November 2016 to 31 October 2021.

During the year under review, PHFI had placed Fixed Deposits (FDs) with the various banks and financial institutions and as on 31<sup>st</sup> march 2016 an amount of Rs. 152,10,25,876/- (One Hundred Fifty Two Crore Ten lakhs Twenty Five Thousand Eight Hundred and Seventy Six Only) was outstanding related to FCRA funds.

On 28<sup>th</sup> June 2014 and on 2<sup>nd</sup> July 2014, the Society's management was informed by Economic Offences Wing (EOW), Mumbai Police of a large scale banking fraud at various banks involving fixed deposits of many organizations. After the fraud came to light, fixed deposits balance confirmations relating to FCRA Funds amounting to Rs 81,00,00,000/- (Eighty One Crore) (previous year Rs 81,00,00,000/- (Eighty One Crore only)) were subsequently not confirmed by the concerned banks. Fund for investment in the said fixed deposits were transferred by the Society to the concerned bank through normal banking channels. During the year, Reserve Bank of India ("RBI") based on complaints received from affected organizations conducted a scrutiny/thematic review looking into the modus operandi of alleged Bank frauds committed on various organizations due to non-compliance with KYC norms in opening Bank Accounts or Fixed Deposits (FD) and extending overdraft facilities (OD) against the said deposits. The findings revealed violations of KYC norms issued by the RBI as also other disquieting actions on the part of banks. RBI imposed





penalties on these banks for violations of RBI regulations. Further, Central Bureau of Investigation, Mumbai ("CBI") and EOW of Mumbai Police, after investigation into the related criminal cases, submitted charge sheets in cases involving three public sector banks, from which funds were siphoned off due to non-compliance with KYC norms ( EOW is in the process of filing the charge sheet in respect of the fourth bank). The charge sheets filed by the EOW demonstrate that the aforesaid fraud was a conspiracy of fraudster with certain bank officials, which was facilitated by the gross negligence of the employees of the Banks, who failed to implement the KYC norms and RTGS guidelines, 2013 issued by RBI as a result of which the fraudsters came to control the funds of various organizations, which were subsequently siphoned off.

Out of the above deposit balances relating to FCRA funds existing as at 31<sup>st</sup> March, 2016 deposits amounting to 22,03,32,877/- (Twenty Two Crore Three Lakhs Thirty Two Thousand and Eight Hundred Seventy Seven Only) are restricted for use in operations of the Society by Hon'ble CBI Court, Greater Mumbai vide its order dated 6 August, 2014. Against this the Society has furnished a surety out of FCRA funds for Rs. 17,00,00,000/- (Seventeen Crore) in favour of Hon'ble CBI Court. Hon'ble CBI Court vide its order dated 3<sup>rd</sup> July 2015 has permitted the Society to claim and use interest on these restricted funds. To protect its interest, the Society has already taken and is continuously taking appropriate actions for recovery of its legitimate claims and continues to engage with relevant Banks and regulatory authorities. As advised by its counsels, the Society has since then also filed legal cases for recovery of sums, including principal, interest and damages from the concerned Banks in the appropriate forum. Since the matter is now sub-judice, Society has deferred any further accrual in its Books of Accounts of interest and damages recoverable from Banks on the above affected Deposits till the outcome of award. The Society is confident of redemption of the funds affected by this fraud from the concerned banks including up to date interest. Therefore no adjustments or provisions have been made in the financial statements to this effect.

5. The Foundation maintains Current Account Number 340992008 with Citibank exclusively for foreign inward remittances and for Utilization of Foreign Funds HDFC 05861110000020, HDFC 05861110000047, HDFC Account Number 05451110000031, HDFC Account Number 03061110000045 and Vijaya Bank 604001011002535.
6. The Receipts and Payments Account dealt with in these financial statements relates only to the funds received in and expended from the designated bank account set up under the provisions of the Foreign Contribution (Regulation) Act, 2010 by the Foundation. Receipts and Payments which have not been routed through this designated bank account do not form part of these accounts except for an amount of Rs 7,95,03,947/- (Seven Crore Ninety Five Lakh Three Thousand Nine Hundred Forty Seven Only) which is receivable from local funds in normal course of operations.



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For and on behalf of

Public Health Foundation of India

*K. Srinivas Reddy*

Dr. K.S. Reddy  
President

*Anil Chugh*

Anil Chugh  
Vice President Finance  
& Resources



Place: New Delhi

Date: December 19, 2016

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