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(Registered)
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Independent Auditors' Report

To the Members of

All India Football Federation

Report On the Financial Statements

We have audited the accompanying financial statements of All India Football Federation ("The Federation") which comprise the balance sheet as at March 31, 2018 and the income & expenditure account for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Federation's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Federation in accordance with the Accounting Standards issued by Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Federation and for preventing and detecting fraud & other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the federation's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the federation has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Federation's members, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Basis for Qualified Opinion

1. Attention is invited to Note No. 27 of the financial statements which explains in details regarding advances given to Indian Football Association. A sum of Rs. 3,394,004 out of such advances were provided in the previous years, based on a communication from the Indian Football Association that their records were destroyed in fire. In the absence of any evidence, the recoverability or otherwise of the above advance and their resultant impact, on the financial statements of the Federation cannot be ascertained.
2. Attention is invited to Note No. 28 of the financial statements where in advances made to member associations of Rs. 6,10,16,173 (Previous year Rs. 4,33,91,774) and member clubs Rs. 15,36,350 (Previous year Rs. 50,89,385) which are subject to reconciliations. In the absence of balance confirmations from the respective member associations and other parties, adjustments, if any, which may arise consequent to the reconciliations/confirmation and the resultant impact on the financial statements cannot be ascertained at this stage.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the impact of which is not ascertained by the Federation, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the federation as at March 31, 2018, and its profit for the year ended on that date.

Emphasis on matters

We draw attention to:

1. Note no. 32 of the financial statements wherein the Federation has deposited Rs. 58,22,673 in an appeal filed in the Hon'ble High Court of Delhi at Delhi against a demand of Rs. 155,281,266 from Service Tax department (including penalty). The Federation is of the view that there will be no liability on the Federation. (Details are more explained in the said note)
2. Note no. 33 of the financial statements wherein the Hon'ble Delhi High Court set aside the result of the election of the office bearers including president and directed for fresh election as per the National Spors Code (NSC) on the basis of a separate and specific application filed against the Federation. The Federation appealed against the above Order in Hon'ble Supreme Court who appointed Dr. S.Y. Qureshi & Mr. Bhaskar Ganguli as the Committee of Administrators (Ombudsmen) for formulation of Constitution of the Federation which will be in consonance with the NSC. The Ombudsmen are in the process of formulating the same. (details are more explained in the said note)
3. Note no. 33 and 34 of the financial statements wherein the federation has not complied with certain clauses of their Constitution as mentioned below :
 - a. As per Article 36 (Regulation 5) of the Constitution of the Federation, the Federation must conduct at least three meetings of the Finance Committee in a year. However, only two meetings of the Finance Committee were conducted during the year ended March 31, 2018.

- b. As per Article 23 (Regulation 2) of the Constitution of the Federation, the Federation must conduct Ordinary Annual General Meeting once in a year. Further, annual audited accounts of the Ordinary Annual Federation approved by the Finance Committee must be approved in the General Meeting. However, no Ordinary Annual General Meeting was conducted during the financial year ended March 31, 2018. Hence, annual audited accounts for the year ended March 31, 2017 are still not approved in the Ordinary Annual General Meeting. Therefore, opening balances in the financial statements for the current year may be subjected to adjustment, if any, made in the annual audited accounts for the year ended March 31, 2017 while adoption in the Ordinary Annual General Meeting.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

Further to our comment in para Basis for Qualified Opinion above, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Federation so far as it appears from our examination of those books;
- (c) The balance sheet and income & expenditure account dealt with by this report are in agreement with the books of account.

For S.S. Kothari Mehta & Co.
Chartered Accountants
Firm Registration No.: 000756N

Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Date: September 26, 2018

Place: New Delhi

All India Football Federation

Balance Sheet as at 31 March 2018

<i>(All amounts in Rupees)</i>			
	Note	As at 31 March 2018	As at 31 March 2017
SOURCES OF FUNDS			
General fund			
General fund and reserves	3	19,334,211	19,334,211
Earmarked funds	4	22,216,704	22,957,798
Income and expenditure account		(69,589,651)	(76,541,806)
Total General Fund		(28,038,737)	(34,249,797)
Loan funds			
Secured borrowings	5	21,844,471	2,104,614
Unsecured borrowings	6	50,000,000	50,000,000
Total loan fund		71,844,471	52,104,614
Current liabilities			
Current liabilities and provisions	7	294,801,187	489,352,795
Total current liabilities		294,801,187	489,352,795
		338,606,922	507,207,612
APPLICATION OF FUNDS			
Non current assets			
Property plant and equipment	8	31,671,077	35,306,789
Intangible assets	8	11,247,908	11,635,366
Capital work-in-progress	8	–	216,000
Total Non Current Assets		42,918,985	47,158,155
Current assets			
Cash and bank balances	9	115,666,313	188,503,552
Loans and advances	10	122,207,170	149,861,618
Income receivable	11	23,849,250	22,918,068
Other current assets	12	33,965,204	98,766,219
Total current assets		295,687,937	460,049,457
		338,606,922	507,207,612
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S.S. Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No.: 000756N

Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Place : New Delhi
Date : September 26, 2018

For and on behalf of Executive Committee of
All India Football Federation

Sd/-
Praful M. Patel
President

Place : New Delhi
Date : September 26, 2018

Sd/-
Kushal Das
General Secretary

Place : New Delhi
Date : September 26, 2018

All India Football Federation

Income and Expenditure Account for the year ended 31 March 2018

(All amounts in Rupees)

	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
INCOME			
Income from grant of commercial rights, sponsorship and football assessment fee	13	1,590,877,174	559,161,285
Grants and aids received	14	153,068,158	65,443,627
Fees and levies	15	67,067,464	20,843,310
Other income	16	7,523,223	9,324,010
Total income		1,818,536,019	654,772,232
EXPENDITURE			
Tournament camps and other expenses	17	1,597,228,788	406,875,023
Administrative and other expenses	18	134,412,926	124,570,738
Meeting expenses	19	8,390,826	7,258,541
Coaches' salaries and remuneration	20	59,937,379	93,844,126
Finance cost	21	7,547,510	6,696,076
Depreciation and amortisation expenses	8	3,862,974	3,280,881
Total expenditure		1,811,380,405	642,525,387
Surplus for the year before prior period adjustments		7,155,616	12,246,846
Prior period adjustments (net)	22	203,457	(614,700)
Surplus / (Deficit) for the year after prior period adjustments		6,952,159	12,861,546
Balance brought forward		(76,541,806)	(89,403,352)
(Deficit) carried to the balance sheet		(69,589,647)	(76,541,806)
Significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S.S. Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No.: 000756N

Sd/-
Sunil Wahal
Partner
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Place : New Delhi
Date : September 26, 2018

For and on behalf of Executive Committee of
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Sd/-
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President

Place : New Delhi
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Kushal Das
General Secretary

Place : New Delhi
Date : September 26, 2018

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

1. Background

The All India Football Federation ('AIFF') is a National Association registered with the Registrar of Societies, Mumbai, under the Societies Registration Act, 1860. The Federation is a member of FIFA, AFC, and Indian Olympic Association. Accordingly, it is itself obliged to respect of the statutes, regulations, directives and decisions of FIFA, the AFC and to ensure that these are likewise respected by its members.

The objective of AIFF are too improve and popularize the game of football constantly and promote it throughout India in the light of its unifying, educational, cultural and humanitarian values, particularly through youth and development programmes in urban, rural and remote areas including Schools, Colleges and Universities.

2. Significant accounting policies

a) Basis of preparation of financial statements

The financial statements have been prepared and presented on the accrual basis under the historical cost convention, in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Revenue recognition

(i) Revenue sale of Master Rights :

Revenue, including sale of master rights and telecasting rights, is recognised on accrual basis, as per the terms of arrangement.

(ii) Interest income :

Interest income from fixed deposits is recognised on time proportion basis.

d) (i) Property, Plant and Equipment

Tangible assets are recorded at cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties (except for refundable duties), taxes and other directly attributable costs incurred to bring the assets to their working condition for intended use.

Expenditure related to and incurred on implementation of new/expansion-cum-modernisation projects is included under capital work-in-progress and the same is allocated to the respective tangible asset on completion of its construction/erection.

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(ii) Depreciation

Depreciation on Tangible assets is provided on the basis of written down value method at the following rates.

Tangible Assets	Rates of depreciation (per annum)
Building	10%
Computer	40%
Furniture and fixtures	10%
Vehicle	15%
Plant and machinery	15%

The above rates represent the estimated economic useful life of assets.

Depreciation on additions is provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold/disposed off during the year is provided up to the dates on which such assets are sold/disposed off.

Leasehold land, being under long term lease arrangement is not amortised.

e) (i) Intangible Accounting Policy

Intangible assets are recorded at cost acquired less accumulated amortisation.

(ii) Depreciation

Depreciation on Intangible assets is provided on the basis of written down value method at the following rates.

Intangible	Life
Intangible-rights in training centre-Bangalore	30 years

f) Foreign exchange transactions

Foreign currency transactions are recorded at exchange rate on the date, which approximate the prevailing exchange rate on the date of transaction. Monetary items denominated in foreign currencies are translated at the yearend exchange rate. Exchange differences, if any, arising out of transactions settled during the year/ translation at year end are recognised in the income and expenditure account.

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

g) Earmarked funds

Earmarked Funds are restricted funds received for specified purpose. These are held by the Federation until used for the purpose specified and deposits are earmarked against them. Income arising out of the investments in this regard is credited to the fund and is used for the purpose specified in this regard.

h) Government grants

Government grants are recognised when there is reasonable assurance of compliance of the conditions attached to them and that the grants will be received.

i) Investment of the earmarked funds

Investments of the earmarked funds in fixed deposits with banks are stated in the books at the principal amounts. Interest earned on these deposits is credited to the respective funds directly.

j) Cash & cash equivalent

Cash and cash equivalents comprise cash at bank, cash/cheques in hand and fixed deposits with banks with maturity period of three months or less.

k) Leases/license

When the Federation is the lessee/licensee

Leases/License where the lessor/licensor effectively retains substantially all the risks and benefits of ownership of the leased/licensed item, are classified as operating leases/license. Operating lease/license payments are recognized as an expense in the income and expenditure account on a straight-line basis over the lease/license term.

l) Borrowing cost

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

m) Retirement benefits

The Federation's obligations towards various employee benefits have been recognized as follows:

Short-term employee benefits:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc., and are recognized in the income and expenditure account in the period in which the employee renders the related service.

Post-employment benefits:

The Federation's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the yearend using the

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Any unrecognized past service costs and the fair value of any plan assets are deducted. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date, having maturity periods approximating the terms of related obligation.

Other long term employee benefits:

Cost of long term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. Further, in respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected upto the assumed date of encashment. The present value of obligations towards availment and encashment under such long term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Project unit credit method as at the year end.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date, having maturity periods approximating the terms of related obligation.

Treatment of actuarial gains and losses

Actuarial gains and losses are recognized immediately in the income and expenditure account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

n) Provisions and contingencies

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
3 General Fund and Reserves		
Opening balance	19,334,211	19,334,211
Add: Transferred from earmarked fund	—	—
Closing balance	<u>19,334,211</u>	<u>19,334,211</u>
4 Earmarked funds		
a) FIFA goal project fund (Refer Note 25)		
Opening balance	8,598,461	9,553,845
Less: Depreciation on building (Refer Note No. 8)	(859,846)	(955,384)
Closing balance	<u>7,738,615</u>	<u>8,598,461</u>
b) Sub-junior football development fund*		
Opening balance	6,317,019	5,884,446
Add: Interest on earmarked fixed deposits	438,677	432,573
Closing balance	<u>6,755,696</u>	<u>6,317,019</u>
c) FIFA assistance for capital expenses		
Opening balance	152,518	160,001
Less: Depreciation (Refer Note No. 8)	(6,699)	(7,483)
Closing balance	<u>145,819</u>	<u>152,518</u>
d) FIFA assistance for infrastructure		
Opening balance	7,889,800	8,237,829
Less: Depreciation (Refer Note No. 8)	(313,226)	(348,029)
Closing balance	<u>7,576,574</u>	<u>7,889,800</u>
	<u>22,216,704</u>	<u>22,957,798</u>

* The earmarked funds have been invested in the form of fixed deposits amounting to Rs. 67,55,696.00 (Previous Year Rs. 63,17,019.00)

The fixed deposit is shown after TDS on interest paid by the bank.

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
5 Secured borrowings		
Bank overdraft *	21,844,471	2,104,614
	<u>21,844,471</u>	<u>2,104,614</u>
*Bank overdraft is secured by way of exclusive charge on all the current and movable fixed assets (both present and future) of the Federation. The interest on loan is 4.35% spread over and above bank's 06 month MCLR.		
6 Unsecured borrowings		
Unsecured loan from IMG Reliance Private Limited**	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
** Unsecured loan aggregating to Rs. 50,000,000 is deductible from year 2019 by way of adjustment to revenue from IMG Reliance Private Limited. The interest on loan is based on Prime lending rate of RBI/SBI and shall be deducted from the available net revenue share of AIFF in the year of 2019.		
7 Current liabilities and provisions		
Current liabilities		
Interest accrued and due (IMGR)	25,413,075	21,520,575
Payable to member associations	1,752,361	3,102,697
Statutory Dues Payable	7,522,463	9,038,134
Earnest money deposits	1,600,000	1,600,000
Income received in advance	25,034,265	194,405,361
Expenses payables	85,498,789	118,799,372
Other payables	137,445,713	131,304,076
(includes payable to vendors and clubs)	<u>284,266,666</u>	<u>479,770,215</u>
Provisions		
Provision for gratuity (refer note 31)	7,368,112	6,545,456
Provision for leave encashment (refer note 31)	3,166,409	3,037,124
	<u>10,534,521</u>	<u>9,582,580</u>
	<u>294,801,187</u>	<u>489,352,795</u>

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

Particulars	Tangible							Intangible Assets				
	Land-Freehold	Land-Leasehold	Building	Furniture & Fixtures	Computers	Vehicle	Office Equipments	AIFF Trophies and cups*	Total tangible assets	Rights at Training Centre - Bangalore	Total intangible assets	Capital Work-in-progress
Gross block												
As at April 1, 2016	3,213,000	1,916,909	38,050,808	7,290,286	4,084,615	1,510,295	18,085,407	276,909	74,428,229	13,080,252	13,080,252	1,900,946
Additions	-	-	-	681,000	3,709,784	-	2,936,984	-	7,327,768	-	-	216,000
Written off during the year	-	-	-	-	(1,415,559)	-	(590,111)	-	(2,005,670)	-	-	1,900,946
As at March 31, 2017	3,213,000	1,916,909	38,050,808	7,971,286	6,378,840	1,510,295	20,432,280	276,909	79,750,327	13,080,252	13,080,252	216,000
Additions	-	-	-	576,232	685,678	-	505,851	-	1,767,761	-	-	-
Written off during the year	-	-	-	(170,301)	(1,447,235)	(228,789)	(1,801,762)	(64,239)	(3,712,326)	-	-	216,000
As at March 31, 2018	3,213,000	1,916,909	38,050,808	8,377,217	5,617,283	1,281,506	19,136,369	212,670	77,805,762	13,080,252	13,080,252	-
Depreciation												
As at April 1, 2016	-	-	24,617,048	4,088,685	3,280,363	1,046,697	8,942,150	-	41,974,943	1,042,836	1,042,836	-
For the year	-	-	1,343,376	347,044	973,174	69,540	1,456,593	-	4,189,727	402,050	402,050	-
Relating to sale/adjustment/transfer	-	-	-	-	(1,302,469)	-	(418,663)	-	(1,721,132)	-	-	-
As at March 31, 2017	-	-	25,960,424	4,435,729	2,951,068	1,116,237	9,980,080	-	44,443,538	1,444,886	1,444,836	-
For the year	-	-	1,209,038	389,868	1,469,798	55,993	1,530,590	-	4,655,287	387,458	387,458	-
Relating to sale/adjustment/transfer	-	-	-	(119,912)	(1,417,977)	(208,012)	(1,218,238)	-	(2,964,139)	-	-	-
As at March 31, 2018	-	-	27,169,462	4,705,685	3,002,889	964,218	10,292,432	-	46,134,686	1,832,344	1,832,344	-
Net block												
As at March 31, 2017	3,213,000	1,916,909	12,090,384	3,535,557	3,427,772	394,058	10,452,200	276,909	35,306,789	11,635,366	11,635,366	216,000
As at March 31, 2018	3,213,000	1,916,909	10,881,345	3,671,532	2,614,395	317,289	8,843,937	212,670	31,671,077	11,247,908	11,247,908	-

	For the year ended	For the year ended
	31 March 2018	31 March 2017
Depreciation as per above schedule	5,042,745	4,591,777
Less: Charged to FIFA Goal Project Fund (Building)	(859,846)	(955,384)
Charged to FIFA Assistance to infrastructure (Building)	(313,226)	(348,029)
Charged to FIFA Assistance for capital expense (Furniture and fixtures)	(6,699)	(7,483)
Depreciation as per Income and Expenditure Account	3,862,974	3,280,881

* With regard to the trophies and cups held by the Federation, the management does not envisage any depreciation due to specific nature of these items.

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
9 Cash and bank balances		
Cash in hand	220,180	65,560
Balances with scheduled banks		
– On current accounts	30,744,902	13,036,772
– On savings accounts	65,866,736	147,771,418
Fixed deposit accounts		
– Earmarked funds	6,574,089	6,179,267
– Others	12,260,406	21,450,535
	<u>115,666,313</u>	<u>188,503,552</u>
10 Loans and advances		
Loan to member association (unsecured)	–	20,000,000
Advances recoverable in cash or in kind or for value to be received (unsecured) :		
Considered good		
– Receivables from and advances to member associations (Also refer to note 29)	59,518,991	44,769,646
– Other advances and receivables	12,401,428	34,627,038
	<u>71,920,419</u>	<u>79,396,684</u>
Considered doubtful	4,194,309	4,194,309
	<u>76,114,728</u>	<u>83,590,993</u>
Less: Provision for doubtful advances	(4,194,309)	(4,194,309)
	71,920,419	79,396,684
Security deposits	1,530,620	1,458,457
Balance with service tax authorities	–	597,727
Taxes deducted at source	48,756,131	48,408,750
	<u>122,207,170</u>	<u>149,861,618</u>
Note 10.1 :		
TDS recoverable of amounting Rs. 87,04,832 is related with assessment year 2013-14 and earlier years was neither disputed or not recovered from income tax department.		
11 Income receivable		
Income receivable from sponsorship and grant of commercial rights	23,849,250	22,918,068
	<u>23,849,250</u>	<u>22,918,068</u>
12 Other current assets		
Interest accrued on fixed deposits	215,204	192,341
FIFA U-17 World Cup Project	–	–
Pre U-17 World Cup Expenses	–	64,133,882
Accrued Income	33,750,000	34,439,996
	<u>33,965,204</u>	<u>98,766,219</u>

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
13 Income from grant of commercial rights, sponsorship and football assessment fee		
Sale of telecasting and master rights	500,000,000	500,000,000
Sponsorship	15,869,508	11,780,565
Income from FIFA U-17 World Cup 2017 (refer note 13.1)	954,247,080	–
Football assessment programme fees	120,760,587	47,380,720
	<u>1,590,877,174</u>	<u>559,161,285</u>
Note 13.1 : FIFA U-17 World Cup 2017 Project		
Income from subsidy, sponsorship and football assessment fee		
Grants & Aid Received – FIFA	161,120,579	–
Grant From Government	295,987,927	–
Interest From Bank	12,575,984	–
Miscellaneous Income	6,504,411	–
Sponsorship - National Support	393,952,252	–
Ticket Sales	84,105,927	–
	<u>954,247,080</u>	<u>–</u>
(Insurance claim of Rs. 28,91,208/- for re-location of semi-final match from Guwahati to Kolkata is included in miscellaneous income)		
14 Grants and aids received		
Grant-in-aid (Government)	50,768,287	45,044,794
Grant-Mission XI Million (Government)	102,299,871	20,398,833
	<u>153,068,158</u>	<u>65,443,627</u>
15 Fees and levies		
Disciplinary sanctions	7,330,000	6,215,500
Income from FIFA/AFC/AIFF license courses	12,274,750	5,911,610
Entry fees for National Football League & Tournament registration fees	39,140,000	5,889,900
Membership and protest fees	321,000	206,000
Players Registration fees (Central Registration System)	8,001,714	2,620,300
	<u>67,067,464</u>	<u>20,843,310</u>

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
16 Other income		
Interest income		
– Savings bank account	2,135,893	3,692,932
– Fixed deposits with banks	1,108,238	974,928
Interest on loan (employee)	62,791	32,763
Interest on security deposit	–	18,000
Interest on loan (WIFA)	–	1,870,000
Interest U/s 244A	537,911	439,043
Provision written back	401,582	176,321
Miscellaneous income	2,767,932	2,119,493
Gate Collection	508,876	–
Profit on sale of asset	–	530
	7,523,223	9,324,010
17 Tournament camps and other expenses		
I-League Expenses		
2nd Division League 2016-17	10,134,384	17,721,424
2nd Division League 2017-18	3,571,944	–
U-13 Youth League 2017-18	3,085,745	–
U-15 I-League 2015-16	–	3,982,286
U-16 I-League 2016-17	124,196	8,750,803
U-16 I-League 2017-18	8,886,968	–
U-18 I-League 2015-16	–	(72,133)
U-18 I-League 2016-17	5,736,605	1,527,000
U-18 I-League 2017-18	1,282,352	–
I-League (10th Edition) 2015-16	–	22,673,345
I-League (11th Edition) 2016-17	22,871,478	79,597,227
I-League (12th Edition) 2017-18	132,111,088	–
I-League department and meeting expenses	1,292,156	9,930,777
I-League (Misc. Exp)	–	469,193
	189,096,915	144,579,922
Age group tournaments/festivals		
U-16 National Championship (Sub Junior Boys)	15,321,524	11,482,354
U-19 National Championship (Junior Boys)	24,022,315	1,728,267
U-14 Boys Football Festival	–	705,821
Youth development - Indian Arrows Team	32,544,894	–
U-16 Youth Cup, 2016	–	11,539,405
FIFA XI Million Project Expenses	105,366,647	20,544,658
	177,255,380	46,000,506

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
17	Tournament camps and other expenses continued	
	Women's Tournament and Camps	
Sr. Women National championship and camp	26,004,555	3,279,059
Women development	–	1,105,884
AFC Women Championship (Qualifiers) & camp expenses	2,044,955	380,169
Junior National Championship for Girls	11,009,509	8,429,804
Sub Junior Girls National Football Championship	6,005,909	–
FIFA Women Development Courses	653,058	–
SAFF Women championship	1,117,494	4,081,857
U-14 Girls NFC	–	36,013
Indian Women's League Exp.	8,003,212	13,360,364
AFC Asia Cup Women Qualifer & Camp	–	378,240
	54,838,692	31,051,390
	Senior team national tournaments	
Santosh Trophy	19,958,984	21,482,610
	19,958,984	21,482,610
	Other tournaments	
Federation Cup	10,799,286	8,206,045
Super Cup 2017	3,525,192	–
Indian Super League expenses	–	39,873
BRICS Football Tournament	–	1,130,019
	14,324,478	9,375,937
	International tournaments, exposure tours and camps	
Friendly Matches National Teams	5,503,743	13,615,490
National Team Exposure Tours	–	5,401,938
AFC Asian Cup 2019	485,879	–
Champion/Tri-Nation Cup-2017	26,549,917	–
SAFF Suzuki Cup 2015	–	949,217
Sr. Team Expenses	–	900,181
South Asian Games Camp & Tournament	–	154,500
Preworld cup qualifier (Men)	–	3,255,110
Asia Cup Camp & Qualifier Expenses	34,437,661	8,272,333
	66,977,200	32,548,769

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
17	Tournament camps and other expenses continued	
	Asian Football Confederation (AFC) and FIFA tournaments	
AFC U-16 Women qualification round	–	2,807,700
AFC U-19 Womens championship, qualifier and camp	–	1,222,414
AFC U-16 Boys championship	23,334,706	4,611,711
AFC U-13/14 Girls football festival and camp	–	260,370
AFC U-19 Boys Championship (camp and qualifier)	2,425,881	–
AFC U-23 Camp & Qualifier	10,047,214	–
	<u>35,807,801</u>	<u>8,902,196</u>
	Courses, seminars, projects, grants and other expenses	
AFC Licence Fee	4,134,437	3,648,705
Futsal Play Project	892,478	–
Referees development/Dept Exp	6,791,540	9,592,878
FIFA Refresher Course	618,952	–
Seminars and courses	3,218,448	58,626
AFC Instructor Course	24,662	40,760
Refresher Course for Coaches	85,928	134,400
FIFA MA Course	–	1,890,884
Grassroot Development Programme	4,206,512	3,549,805
FIFA Academy	87,764,770	88,521,687
Coaching Workshop	–	446,285
Scouting Expenses	1,154,641	3,049,010
AIFF player of the year	–	1,150,000
New project expenditure	1,702,204	850,654
	<u>110,594,571</u>	<u>112,933,695</u>
	FIFA U-17 World Cup 2017 Project	
Office Expenses	317,417,352	–
Tournament expenditure	453,466,546	–
Salaries and administration cost	47,638,832	–
Tour and Travels expenditure	109,852,037	–
	<u>928,374,768</u>	<u>–</u>
	<u>1,597,228,788</u>	<u>406,875,023</u>

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
18 Administrative and other expenses		
Salaries and allowances		
Salaries	50,672,215	44,076,710
Ex-gratia, bonus, gratuity and other funds	6,512,480	4,381,844
Staff welfare	1,365,498	1,270,067
Less : Common Expenses transfer to FIFA U-17 World Cup 2017 Project	(6,202,752)	–
	52,347,441	49,728,621
Other expenses		
Electricity and generator expenses	2,089,762	2,201,692
Insurance expense	2,845,181	3,280,257
Legal and professional expenses	27,026,154	29,574,550
Office expenses	1,174,112	2,939,318
Postage and courier	1,618,294	1,641,472
Printing and stationery	659,071	930,262
Repairs and maintenance	5,646,052	3,265,978
Traveling, conveyance and transportation	11,920,604	6,302,963
Telephone and fax charges	2,388,570	2,209,810
Website/Software expenses	3,264,338	694,687
Water charges	145,269	50,860
Gift/Momentos	437,595	547,372
Bank charges	231,440	248,343
Subscription Newspaper, books and periodicals	737,776	17,965
Financial Aid	–	176,000
Lease rent/ground rent	1,000,080	89,697
Miscellaneous expense	110,652	666,883
Advertisement and publicity expenses	3,187,359	1,824,365
Audit fee and expenses	2,088,843	1,724,920
AFC Affiliation fees	143,588	59,319
Interest on TDS/Service tax	1,544,957	1,879,763
Integrity/National Training Centre	386,139	734,785

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
18 Administrative and other expenses continued		
Academy department expenses	1,120,056	1,333,883
State FA Development Project	12,132,900	8,486,377
Property tax	192,313	123,665
Award Ceremony Expenses	3,657,449	–
Loss on sale of property plant and equipment	704,513	120,027
Other expenses	4,716,473	3,716,906
Less : Common Expenses transfer to FIFA U-17 World Cup 2017 Project	(9,104,054)	–
	<u>82,065,486</u>	<u>74,842,117</u>
	<u>134,412,926</u>	<u>124,570,738</u>
19 Meeting expenses		
Annual/Special General Body Meeting Expenses	4,401,164	2,392,753
Executive and sub - committee meeting expenses	3,989,662	4,865,788
	<u>8,390,826</u>	<u>7,258,541</u>
20 Coaches' remuneration and allowances		
Remuneration and allowances to chief coach	26,138,335	29,082,103
Remuneration and allowances to technical director	4,800,000	15,859,832
Remuneration and allowances to FIFA U-17 WC coach	6,930,414	24,496,589
Support staff-team	14,185,051	21,549,621
Coaches Expenses	7,883,579	2,855,981
	<u>59,937,379</u>	<u>93,844,126</u>

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Notes to the financial statements for the year ended 31st March 2018

(All amounts in Rupees)

	As at 31 March 2018	As at 31 March 2017
Notes		
21 Finance Cost		
Interest on loan from IMG Reliance Private Limited	4,325,000	4,825,000
Other interest	2,072,510	1,871,076
Other Borrowing Cost	1,150,000	–
	<u><u>7,547,510</u></u>	<u><u>6,696,076</u></u>
22 Prior period adjustments (net)		
Income		
Prior period income	644,620	4,898,095
Expenses		
Prior period expenses	848,077	4,283,395
	<u><u>203,457</u></u>	<u><u>(614,700)</u></u>

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Notes to the financial statements for the year ended 31st March 2018

23. Audit fees (excluding taxes)

Particulars	For the year ended 31 March 2018 Rs	For the year ended 31 March 2017 Rs
Statutory audit	1,200,000	1,000,000
Other audit expenses	300,000	724,920
	1,500,000	1,724,920

24. In view of registration under section 12A of the Income tax Act, 1961 with effect from April 01, 2001, no provision for tax has been considered in these financial statements.

25. The building in Note No. 8 is consequent to an arrangement by which Federation International de Football Association ('FIFA') has provided assistance earmarked for constructing the building at Dwarka, New Delhi for the Federation. The construction of the building has been pursuant to a direct arrangement between FIFA and the contractor. Accordingly, the value of the building as certified by the contractor has been credited to specific fund, viz, FIFA Goal Project Fund. Depreciation relatable to the building is charged from this fund.

26. The Federation has incurred the following expenses in respect of which the original supporting documents are not in the possession of the Federation. Considering the current practices being followed, the Federation is in the process of initiating certain processes in order to avoid recurrence of such instances.

S.No	Particulars of expenses	As at March 31, 2018 Rs.	As at March 31, 2017 Rs.
1	Expense claims submitted by in respect of which only photocopies of supports are available	-	1,19,98,017
	Total	-	1,19,98,017

The federation had change their process for reimbursement of expenditure of member association. Now all the reimbursement has booked on the basis of utilisation certificate duly approved by chartered accountant submitted by Member Association.

27. Federation has given advances aggregating Rs. 1,57,73,314 (Previous year Rs. 87,81,748) to meet tournament expenses including Rs.20,00,000/- given interest free loan to Indian Football Association ("IFA") for the purpose of renovation and development of Barasat football stadium in Kolkata. During the earlier years, a fire took place at the premises of IFA and consequently they were not able to provide necessary evidence in support of their expenses to the Federation. A sum of Rs. 33,94,004/- was provided for by the Federation as in the earlier years. Due to long term relationship with IFA, the Federation is hopeful of recovering the advances and is of the view that no further provision is required with regard to the remaining amount.

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Notes to the financial statements for the year ended 31st March 2018

28. The management is in the process of obtaining balance confirmation in respect of the following parties:

Particulars	As at 31 March 2018 Rs	As at 31 March 2017 Rs
Advances/Recoverable to Member associations:		
Haryana Football Association	41,800	9,650
Kerala Football Association	2,01,21,164	1,85,86,339
The Indian Football Association	1,57,73,314	87,81,748
Debajyoti Mukherjee	–	18,42,193
Goa Football Association	–	48,45,754
Mizoram Football Association	10,51,345	5,83,500
Pondicherry Football Association	14,500	900
Jharkhand Football Association	12,39,560	12,17,961
Meghalaya Football Association	26,88,867	6,89,762
Tamilnadu Football Association	10,45,586	4,01,236
Telangana Football Association	69,550	1,91,250
The Western India Football Association	57,45,242	11,24,454
Karnataka State Football Association	3,49,728	–
All Manipur Football Association	1,04,700	–
Assam Football Association	35,74,204	50,29,471
Chandigarh Football Association	1,84,300	87,556
Arunachal Pradesh Football Association	8,000	–
Delhi Soccer Association	5,97,036	–
Gujarat State Football Association	87,000	–
Football Association of Odisha	46,45,422	–
Punjab Football Association	80,150	–
Sikkim Football Association	7,250	–
Tripura Football Association	43,250	–
Andhra Pradesh Football Association	15,56,847	–
Bihar Football Association	17,26,875	–
Jammu & Kashmir Football Association	2,56,133	–
Lakshadweep Football Association	4,350	–
Total	6,10,16,173	4,33,91,784

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Notes to the financial statements for the year ended 31st March 2018

Particulars	As at 31 March 2018 Rs	As at 31 March 2017 Rs
Members Club		
Poona District Football Association	–	10,67,223
Kalighat Milan Sangha FC Private Limited	–	5,58,075
ONGC (I-League Club)	–	4,39,030
Aizawl Football Club	–	3,74,128
Chanmari Football Club	–	99,175
Lonestar Kashmir Football Club Private Limited	–	2,413
United Sikkim Football Club Private Limited	–	1,33,130
Rangdajied United Football Club	15,000	15,000
TATA Steels Limited	–	2,03,191
Lajong Football Club Private Limited	–	21,98,020
Lonestar Kashmir Football Club Pvt. Ltd.	1,00,000	–
Hindustan Football Club Pvt. Ltd.	1,00,000	–
Mohammedan Sporting Club Pvt. Ltd.	1,00,000	–
Tiddim Road Athletic Union (Imphal Trau)	1,00,000	–
Fateh Hyderabad FC	1,00,000	–
Delhi United FC	1,00,000	–
Wadhwan Sports Pvt Ltd (FC Pune City)	2,61,075	–
Kolkata Games And Sports Pvt Ltd - ATK	31,050	–
Delhi Soccer Pvt Ltd - Delhi Dynamos	2,56,650	–
Ja Football Pvt Ltd - North East United FC	1,72,575	–
Langsning Football Club LLP	1,00,000	–
Madhya Bharat Sports Club LLP	1,00,000	–
Total	15,36,350	50,89,385

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Notes to the financial statements for the year ended 31st March 2018

29. During the current year and in the previous years, the Federation has received football assessment programme fee from FIFA (Federation International de Football Association) and AFC (Asian Football Confederation) aggregating Rs. 14,57,94,852 including Rs. 2,50,34,265 advance for special FIFA project IWL 2018 and U-13 Youth League (previous year Rs. 10,59,05,590 including Rs. 5,85,24,480 advance for FIFA U-17 World Cup 2017). The federation is of the view that this grant is in nature of Financial assistance and believes that it is not required to take prior approval from Ministry of Home Affairs as envisaged under Foreign Contribution (Regulation) Act 2010 in this regard.
30. The Federation has received grant of Rs. 44,47,70,863 from Government of India for Mission XI Million programme and funding for overlays projects under the FIFA U-17 World Cup 2017 and the grant utilized of Rs. 2,03,98,833 in the previous year for Mission XI Million and Rs. 39,82,87,798 during the year for Mission XI Million programme and overlays project. Since, both the event concludes in current year, grant is recognised as income in the income & expenditure account to the extent and un-spend amount of grant of Rs. 2,69,54,232 refundable to the Government of India is disclosed as grant refundable in the current year financial statements.
31. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee Benefits':

Defined contribution plans

Particulars	2017-18	2016-17
Pension Fund/Superannuation funds/ESI/PF	11,79,075	10,63,883
Total	11,79,075	10,63,883

Recognized as an expense and included in "Administrative and other expenses" in the income and expenditure account.

Defined Benefit Plans

Gratuity

Gratuity is payable to all eligible employees of the Company on retirement or separation from the Company in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial.

Other long term employee benefits

Compensated absence

Eligible employees can carry forward and encash leave standing to their credit at any time. However, the maximum accumulation allowed as per Company policy is 60 days.

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

The disclosures for gratuity costs & compensated absence are given below:

a. Changes in benefit obligation

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Present value of obligation as at the beginning of the period	65,45,456	49,96,672	30,37,124	40,77,927
Current service cost	11,11,889	11,04,271	4,89,663	5,46,611
Interest cost	4,93,527	3,99,734	2,28,999	3,26,234
Actuarial (gain)/loss on obligation	(47,637)	44,779	(5,41,209)	(18,47,648)
Past service cost	–	–	–	–
Benefits paid	(1,55,230)	–	(48,168)	(66,000)
Present value of obligation as at the end of period	79,48,005	65,45,456	31,66,409	30,37,124

b. Fair value of plan assets

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Fair value of plan assets at the beginning of the year	–	–	–	–
Actual return on plan assets	33,283	–	–	–
Contributions by employer	5,75,720	–	–	–
	(29,110)			
Benefits paid	–	–	–	–
Fair value of plan assets at the end of the year	5,79,892	–	–	–
Fund Status	(73,68,113)	(65,68,456)	(31,66,409)	(30,37,124)
Excess of actual over estimated return on plan assets	33,283	–	–	–

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

c. Actuarial gain/loss on plan assets

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Expected return of plan assets	–	–	–	–
Actual return of plan assets	33,382	–	–	–
Actuarial (gain) / loss on plan assets	33,382	–	–	–

d. Actuarial gain/loss recognized

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Actuarial gain / (loss) for the period - obligation	47,637	(44,779)	5,41,209	18,47,648
Actuarial (gain) / loss for the period - plan assets	(33,382)	–	–	–
Total (gain) / loss for the period	80,919	44,779	(5,41,209)	(18,47,648)
Actuarial (gain) / loss recognized in the period	80,919	44,779	(5,41,209)	(18,47,648)
Unrecognized actuarial (gains) losses at the end of period	–	–	–	–

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Notes to the financial statements for the year ended 31st March 2018

e. Amount recognized in the Balance Sheet

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Present value of obligation as at the end of the period	79,48,005	65,45,456	31,66,409	30,37,124
Fair value of plan assets as at the end of the period	5,79,892	–	–	–
Funded status / Difference	(73,68,113)	(65,45,456)	(31,66,409)	(30,37,124)
Excess of actual over estimated	33,382			
Unrecognised actuarial (gains) / losses	–	–	–	–
Net asset / (liability) recognised in balance sheet	(73,68,113)	(65,45,456)	(31,66,409)	(30,37,124)

f. Expenses recognized in the Income and Expenditure Account

Particulars	Gratuity		Compensated absence	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
	Rs	Rs	Rs	Rs
Current service cost	11,11,889	11,04,271	4,89,663	5,46,611
Past service cost	–	–	–	–
Interest cost	4,93,527	3,99,734	2,28,999	3,24,234
Expected return on plan assets	–	–	–	–
Curtailement cost / (credit)	–	–	–	–
Settlement cost / (credit)	–	–	–	–
Net actuarial (gain) / loss recognized in the period	(80,919)	44,779	(5,41,209)	(18,47,648)
Expenses recognized in the Income and Expenditure Account	15,24,497	15,48,784	(1,77,453)	(9,74,803)

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Notes to the financial statements for the year ended 31st March 2018

g. Disclosure as required by Para 120(n) of AS-15

As on	Compensated absence				
	31/03/2014	31/03/2015	31/03/2016	31/03/2017	31/03/2018
	Rs	Rs	Rs	Rs	Rs
PBO (C)	16,40,712	14,80,315	40,77,927	30,37,124	31,66,409
Plan Assets	–	–	–	–	–
Net Assets / Liability	(16,40,712)	(14,80,315)	(40,77,927)	(30,37,124)	(31,66,409)
On Plan PBO	(3,430)	6,66,573	(18,43,181)	19,62,076	4,93,876
On Plan Assets	–	–	–	–	–

As on	Gratuity				
	31/03/2014	31/03/2015	31/03/2016	31/03/2017	31/03/2018
	Rs	Rs	Rs	Rs	Rs
PBO (C)	53,96,572	37,93,982	49,96,672	65,45,456	79,48,005
Plan Assets	–	–	–	–	5,79,892
Net Assets / Liability	(53,96,572)	(37,93,982)	(49,96,672)	(65,45,456)	(73,68,113)
On Plan PBO	(10,56,054)	31,56,549	(2,30,658)	2,19,299	(67,733)
On Plan Assets	–	–	–	–	33,382

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Notes to the financial statements for the year ended 31st March 2018

- h. Principal actuarial assumptions at the balance sheet date for gratuity and compensated absences are as follows:**

Economic assumptions:

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	Gratuity	Compensated absences	Gratuity	Compensated absences
	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2017
Discount rate	7.71%	7.71%	7.54%	7.54%
Expected rate of return on plan assets (p.a.)	7.55%	NA	NA	NA
Salary escalation rate (p.a.)	6%	6%	6%	6%

Demographic assumptions:

Particulars	Gratuity	Compensated absences	Gratuity	Compensated absences
	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017	As at 31 March 2017
Retirement age	60 years	60 years	60 years	60 years
Withdrawal rates				
– upto 30 years	2.00%	2.00%	2.00%	2.00%
– from 31 to 44 years	2.00%	2.00%	2.00%	2.00%
– above 44 years	2.00%	2.00%	2.00%	2.00%
Mortality table	IALM (2006 - 08)		IALM (2006 - 08)	

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Notes to the financial statements for the year ended 31st March 2018

Expected rate of return on plan assets: This is based on our expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

Discount rate: The discount rate is based on the prevailing market yields of Government Bonds as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors on a long-term basis.

32. During the previous year, in December 2017, as part of a pre-existing and ongoing legal matter in Delhi High Court against various sports federations, a separate and specific application was filed against the Federation for allegedly violating various provisions of the National Sports Code (NSC) during the electoral process. The Hon'ble Delhi High Court set aside the result of the election of the office bearers including president and directed for fresh election as per the NSC. The Federation appealed against the above under in Hon'ble Supreme Court. The Hon'ble Supreme Court subsequently appointed Dr. S.Y. Qureshi & Mr. Bhaskar Ganguli as the Committee of Administrators (Ombudsmen) for formulation of Constitution of the Federation which will be in consonance with the National Sports Code and the Model Guidelines for the conduct of its business, constitution of the Executive Committee and elections thereto, whilst ensuring that the status and membership of the Federation is not undermined in any manner with regard to international associations. They shall prepare the draft Constitution and submit the same along with their report to Hon'ble Supreme Court. The Ombudsmen are in the process of formulating the same.
33. As per Article 36 (Regulation 5) of the Constitution of the Federation, the Federation must conduct at least three meetings of the Finance Committee in a year. However, only two meetings of the Finance Committee were conducted during the year ended March 31, 2018.
34. As per Article 23 (Regulation 2) of the Constitution of the Federation, the Federation must conduct Ordinary Annual General Meeting once in a year. Further, annual audited accounts of the Ordinary Annual Federation approved by the Finance Committee must be approved in the General Meeting. However, no Ordinary Annual General Meeting was conducted during the financial year ended March 31, 2018. Hence, annual audited accounts for the year ended March 31, 2017 have still not been approved in the General Meeting. Therefore, opening balances in the financial statements for the current year subjected to adjustment, if any, made in the annual audited accounts for the year ended March 31, 2017 while adoption in the Ordinary Annual General Meeting. A communication was sent to the member associations of AIFF dated December 21, 2017, regarding postponing the Annual General Meeting in view of the proceedings in the Supreme Court.
35. The Federation has received a show cause notice (SCN) from service tax department demanding Rs. 155,281,266 (including penalty of Rs. 77,645,633). The demand is in relation to the consideration of Rs. 700,000,000 after deducting applicable TDS of termination of the Master Rights Agreement (MRA) between Entertainment Enterprises Private Limited (ZEEL) and the Federation which was paid by the

All India Football Federation

Notes to the financial statements for the year ended 31st March 2018

IMG Reliance Pvt. Ltd. (IMGR) on behalf of the new MRA between IMGR and the Federation dated 9th December 2010 and the amount of termination fee adjusted from future net revenues due to the Federation under the new MRA. The service Tax department took the view that the Federation is liable to pay the service tax on the termination fee paid by the IMGR to ZEEL. The Federation has deposited Rs. 58,22,673 and filed an appeal against this SCN.

The federation has not made any provision against the demand by the Service Tax department as based on existing judicial pronouncements, they believes that they have a strong case.

36. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with current year's figures.

As per our report of even date attached

For **S.S. Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No.: 000756N

For and on behalf of Executive Committee of
All India Football Federation

Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Sd/-
Praful M. Patel
President

Sd/-
Kushal Das
General Secretary

Place : New Delhi
Date : September 26, 2018

Place : New Delhi
Date : September 26, 2018

Place : New Delhi
Date : September 26, 2018