

**INDEPENDENT AUDITORS' REPORT**

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**To the Members of Center for Study of Science technology and Policy**

**Opinion**

We have audited the accompanying financial statements of **Center for Study of Science technology and Policy**, #18, 19 & 20, 10<sup>th</sup> Cross, Mayura Street Papanna Layout, Nagashettyhalli, RMV II Stage Bangalore - 560094, which comprises the Balance Sheet as at March 31, 2022, the Statement of Income & Expenditure, Cash flow statement and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Companies Act 2013, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India including Accounting Standards specified under section 133 of the Act, of the state of affairs of the Company as at March 31, 2022, its Surplus and Cash flow for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and 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 financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our auditor's report.

### **Report on Other Legal and Regulatory Requirements**

1. The report does not include a statement on the matter specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 as the same is not applicable to the company.

2. As required by Section 143(3) of the Act, 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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations give to us;
    - i) The Company has disclosed its pending litigation which would impact its financial position in Note 16 (2.3) of the financial statements.
    - ii) The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) The company is not required to be transfer any unclaimed Dividend of to the investor's education and protection fund.
    - iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate

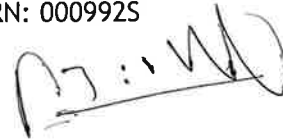
Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented, that and to the best of our knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

c) Based on the audit procedures performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v) The Company is a not-for-profit research organization registered under erstwhile section 25 of the Companies Act, 1956 (presently section 8 of the Companies Act, 2013). Hence the declaration or payment of any dividend on shares is not applicable to the company. Hence, reporting under this clause is not applicable.

For B.R.V. GOUD & CO.,  
Chartered Accountants  
FRN: 000992S



Place: Bangalore  
Date: 27.09.2022  
UDIN: 22201108AWTQKB4667

(A B Shiva Subramanyam)  
Partner  
Membership No.: 201108



## Auditor Responsibility Statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For B.R.V. GOUD & CO.,  
Chartered Accountants  
FRN: 000992S

A handwritten signature in black ink, appearing to read 'A B Shiva Subramanyam'.



Place : Bangalore  
Date : 27.09.2022  
UDIN: 22201108AWTQKB4667

(A B Shiva Subramanyam)  
Partner  
Membership No.: 201108

## **ANNEXURE B TO THE AUDITORS' REPORT**

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### **Report on the Internal Financial Controls under Clause (i) of sub-section 143 of the Companies Act, 2013 ('The Act')**

We have audited the internal financial controls over financial reporting of **CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY** ('the Company') as of 31 March 2022 in conjunction with our audit of financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its operation or activity, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on internal financial controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management and directors if the Company;
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

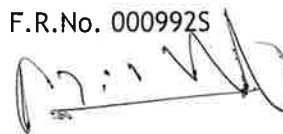
### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B R V GOUD & CO.,  
Chartered Accountants  
F.R.No. 000992S



(A B SHIVA SUBRAMANYAM)  
PARTNER  
Membership No.: 201108



Place: Bangalore  
Date: 27/09/2022  
UDIN: 22201108AWTQKB4667



**BALANCE SHEET AS AT 31ST MARCH 2022**

(Amount in Rs.)

PARTICULARS	Note No.	As At 31-03-2022	As At 31-03-2021
<b><u>I. EQUITY AND LIABILITIES</u></b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	1,00,000	1,00,000
(b) Reserves and Surplus	2	26,38,05,805	24,50,93,874
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	1,00,001	1,00,001
(b) Deferred tax liabilities (Net)		-	-
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	4	-	-
(b) Trade payables			
Micro Enterprises & Small Enterprises			
Other than Micro enterprises & small enterprises		26,24,277	70,29,957
(c) Other current liabilities		26,09,919	23,92,458
(d) Short-term provisions		59,000	59,000
<b>TOTAL</b>		<b>26,92,99,002</b>	<b>25,47,75,291</b>
<b><u>II. ASSETS</u></b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible asset	5		
(i) Property, Plant and Equipment		1,43,75,645	1,45,99,816
(ii) Intangible Assets		7,03,663	7,03,664
(iii) Capital Work-in-Progress		38,78,883	38,38,883
(b) Non-current investments		-	-
(c) Long term loans and advances	6	6,85,03,422	6,84,92,200
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Trade receivables	7	1,39,73,440	64,28,217
(c) Cash and cash equivalents	8	15,87,52,435	15,36,00,480
(d) Other current assets	9	91,11,515	71,12,033
<b>TOTAL</b>		<b>26,92,99,002</b>	<b>25,47,75,291</b>

Significant Accounting Policies & Other Notes to Accounts

16

  
 (Dr. V.S. ARUNACHALAM)  
 Chairman

DIN : 00400857

  
 (Dr JAYATIRTHA ASUNDI)  
 Whole Time Director

DIN : 08765735



  
 (Dr K.G. BELLARMINE)  
 Chief Financial Officer

As per our report of even date,  
 for B.R.V.Goud & Co.,  
 Chartered Accountants,  
 FRN: 0009925



  
 (A.B. SHIVA SUBRAMANYAM)  
 Partner

M.No: 201108

Place: Bangalore  
 Date: 27.09.2022

**INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH 2022**

(Amount in Rs.)

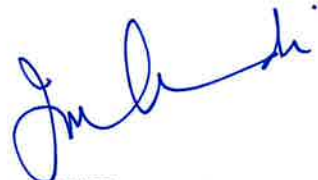
	Particulars	Note No	Year Ended 2021-22	Year Ended 2020-21
<b>A</b>	<b>INCOME</b>			
	Core Grants	10	8,56,86,700	5,18,21,809
	Project Grants	11	12,32,43,305	11,34,84,252
	Other Income	12	1,57,93,672	1,28,51,906
	<b>Total (A)</b>		<b>22,47,23,677</b>	<b>17,81,57,967</b>
<b>B</b>	<b>EXPENSES :</b>			
	Research Expenses	13	16,59,44,522	15,56,67,323
	Administrative and Other Expense	14	4,55,50,347	4,86,53,966
	Finance Costs	15	92,543	60,043
	Depreciation and Amortization expense	5	2,24,172	3,75,712
	<b>Total (B)</b>		<b>21,18,11,584</b>	<b>20,47,57,044</b>
<b>C</b>	Surplus/(Deficit) before Exceptional and Extraordinary items (A-B)		<b>1,29,12,092</b>	<b>(2,65,99,077)</b>
	Exceptional and Extraordinary items			
	Surplus/(Deficit) before Tax		1,29,12,092	(2,65,99,077)
	Tax Expense		-	-
<b>D</b>	Surplus/(Deficit) For the Year		<b>1,29,12,092</b>	<b>(2,65,99,077)</b>

Significant Accounting Policies & Other Notes to Accounts

16



(Dr. V.S. ARUNACHALAM)  
 Chairman  
 DIN : 00400857



(Dr. JAYATIRTHA ASUNDI)  
 Whole Time Director  
 DIN : 08765735



Place: Bangalore  
 Date: 27.09.2022

  
 (Dr. K.C. BELLARMINE)  
 Chief Financial Officer

As per our report of even date,  
 for B.R.V.Goud & Co.,  
 Chartered Accountants,  
 FRN: 0009925



(A.B. SHIVA SUBRAMANYAM)  
 Partner  
 M.No: 201108



**CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY**

# 18, 19 & 20, 10th Cross, Mayura Street Papanna Layout, Nagashettyhalli, RMV II Stage Bangalore - 560094

CIN: U80302KA2005NPL036676

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

(Amount in Rs.)

	Particulars	2021-22	2020-21
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Surplus / (Deficit) before Tax	1,29,12,092	(2,65,99,077)
	<b>Adjustment For:</b>		
	Depreciation	2,24,172	3,75,714
	Interest & Finance Charges	92,543	60,043
	Project Fund Deficit	57,99,839	4,15,18,933
	Income from Investing Activities	(32,75,076)	(42,17,836)
	<b>Operating Cash Surplus / (Deficit) before Working Capital Changes</b>	<b>1,57,53,571</b>	<b>1,11,37,777</b>
	<b>Changes in Working Capital:</b>		
	Trade receivables	(75,45,223)	(25,22,494)
	Trade Payables	(44,05,680)	47,27,750
	Other Current Liabilities	2,17,461	(1,25,666)
	Other Current Assets	(19,99,482)	(4,53,908)
	Short term Provision	-	(34,91,166)
	<b>Cash from Operating Activities Before Tax</b>	<b>20,20,647</b>	<b>92,72,291</b>
	<b>Net Cash from Operating Activities (A)</b>	<b>20,20,647</b>	<b>92,72,291</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Fixed Assets	(40,000)	(60,000)
	Decrease/(Increase) in Loans and Advance (Assets)	(11,222)	21,58,947
	Interest Income	32,75,076	42,17,836
	<b>Net Cash from Investing Activities (B)</b>	<b>32,23,854</b>	<b>63,16,783</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Long Term Borrowings	-	(5,71,723)
	Interest & Finance Charges	(92,543)	(60,043)
	<b>Net Cash from Financing Activities (C)</b>	<b>(92,543)</b>	<b>(6,31,766)</b>
	<b>Net Changes in Cash &amp; Cash Equivalents [A+B+C]</b>	<b>51,51,957</b>	<b>1,49,57,308</b>
	<b>Cash &amp; Cash Equivalents at the beginning of the Period</b>	<b>15,36,00,480</b>	<b>13,86,43,171</b>
	<b>Cash &amp; Cash Equivalents at the end of the Period</b>	<b>15,87,52,435</b>	<b>15,36,00,479</b>

(Dr.V.S.ARUNACHALAM)  
Chairman  
DIN : 00400857



(Dr JAYATIRTHA ASUNDI)  
Whole Time Director  
DIN : 08765735

(Dr K. L. BELLARMINE)  
Chief Financial Officer

As per our report of even date,  
for B.R.V.Goud & Co.,  
Chartered Accountants,  
FRN: 000992S



(A.B. SHIVA SUBRAMANYAM)  
Partner  
M.No: 201108

Place: Bangalore  
Date: 27.09.2022

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Amount in Rs)

Particulars		As At 31-Mar-22	As At 31-Mar-21																			
<b>1</b>	<b>Shareholder's Funds</b>																					
	<b>Share Capital</b>																					
	<b>1.1 Equity Share Capital</b>																					
	1.1.1 Authorized Equity Share Capital:- 1000 Shares (1000 Shares) of Rs.100 each	1,00,000	1,00,000																			
	1.1.2 Issued, Subscribed and Fully Paid Up:- 1000 Shares (1000 Shares) of Rs.100 each	1,00,000	1,00,000																			
<p>The Company has only one class of shares referred to as equity shares having par value of Rs.100/-. Each holder of equity shares is entitled to vote per share.</p>																						
	<b>1.2 List of Share holders having 5% or more Shares (In Nos)</b>																					
	<table border="1"> <thead> <tr> <th rowspan="2">Name Of Shareholders</th> <th colspan="2">31st March 2022</th> <th colspan="2">31st March 2021</th> </tr> <tr> <th>In Nos</th> <th>In %</th> <th>In Nos</th> <th>In %</th> </tr> </thead> <tbody> <tr> <td>Dr V S Arunachalam</td> <td align="center">500</td> <td align="center">50.00</td> <td align="center">500</td> <td align="center">50.00</td> </tr> <tr> <td>Prof. Dipankar Banerjee</td> <td align="center">500</td> <td align="center">50.00</td> <td align="center">500</td> <td align="center">50.00</td> </tr> </tbody> </table>	Name Of Shareholders	31st March 2022		31st March 2021		In Nos	In %	In Nos	In %	Dr V S Arunachalam	500	50.00	500	50.00	Prof. Dipankar Banerjee	500	50.00	500	50.00		
Name Of Shareholders	31st March 2022		31st March 2021																			
	In Nos	In %	In Nos	In %																		
Dr V S Arunachalam	500	50.00	500	50.00																		
Prof. Dipankar Banerjee	500	50.00	500	50.00																		
	<b>1.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of financial year are as follows:</b>																					
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>2022</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Shares outstanding at the beginning of the year</td> <td align="center">1,000</td> <td align="center">1,000</td> </tr> <tr> <td>Add: Shares issued during the year</td> <td align="center">-</td> <td align="center">-</td> </tr> <tr> <td>Shares outstanding at the end of the year</td> <td align="center">1,000</td> <td align="center">1,000</td> </tr> </tbody> </table>	Particulars	2022	2021	Shares outstanding at the beginning of the year	1,000	1,000	Add: Shares issued during the year	-	-	Shares outstanding at the end of the year	1,000	1,000									
Particulars	2022	2021																				
Shares outstanding at the beginning of the year	1,000	1,000																				
Add: Shares issued during the year	-	-																				
Shares outstanding at the end of the year	1,000	1,000																				
	<b>1.4 Shares held by promoters As at 31.03.2021</b>																					
	<table border="1"> <thead> <tr> <th>Si No</th> <th>Promoter name</th> <th>No. of shares</th> <th>%of total shares</th> <th>% of change during the year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Dr. V S Arunachalam</td> <td align="center">500</td> <td align="center">50</td> <td align="center">-</td> </tr> <tr> <td></td> <td><b>Total</b></td> <td align="center">500</td> <td></td> <td></td> </tr> </tbody> </table>	Si No	Promoter name	No. of shares	%of total shares	% of change during the year	1	Dr. V S Arunachalam	500	50	-		<b>Total</b>	500								
Si No	Promoter name	No. of shares	%of total shares	% of change during the year																		
1	Dr. V S Arunachalam	500	50	-																		
	<b>Total</b>	500																				
	<b>1.4 Shares held by promoters As at 31.03.2022</b>																					
	<table border="1"> <thead> <tr> <th>Si No</th> <th>Promoter name</th> <th>No. of shares</th> <th>%of total shares</th> <th>% of change during the year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Dr. V S Arunachalam</td> <td align="center">500</td> <td align="center">50</td> <td align="center">-</td> </tr> <tr> <td></td> <td><b>Total</b></td> <td align="center">500</td> <td></td> <td></td> </tr> </tbody> </table>	Si No	Promoter name	No. of shares	%of total shares	% of change during the year	1	Dr. V S Arunachalam	500	50	-		<b>Total</b>	500								
Si No	Promoter name	No. of shares	%of total shares	% of change during the year																		
1	Dr. V S Arunachalam	500	50	-																		
	<b>Total</b>	500																				
** Details shall be given separately for each class of shares																						
<b>2</b>	<b>RESERVES &amp; SURPLUS:</b>																					
	<b>2.(a) Corpus Grant - N S Foundation</b>																					
	Opening Balance	1,06,31,305	1,06,31,305																			
	Closing Balance	1,06,31,305	1,06,31,305																			

NOTES FORMING PART OF FINANCIAL STATEMENTS


(Amount in Rs.)

Particulars		As At 31-Mar-22	As At 31-Mar-21
2 (a)	<b>Project's reserves/funds</b>		
	Opening Balance	22,14,65,368	17,99,43,812
	Add: Receipts during the Year	12,90,43,144	15,50,03,185
	Deficit Absorbed by Core	39,46,828	2,623
		35,44,55,340	33,49,49,620
	Less: Expenditure during the Year	12,32,43,305	11,34,84,252
	Closing Balance	23,12,12,035	22,14,65,368
2 (b)	<b>Surplus/(Deficit)</b>		
	Opening Balance	1,29,97,201	3,95,98,901
	Add / Less:-		
	Surplus / (Deficit) for the year	1,29,12,092	(2,65,99,077)
		2,59,09,293	1,29,99,824
	Less:-		
	Projects Deficits borne by Core	(39,46,828)	(2,623)
	Closing Balance	2,19,62,465	1,29,97,201
2 (c)	<b>Total Reserves &amp; Surplus</b>	<b>26,38,05,805</b>	<b>24,50,93,874</b>
3	<b>NON CURRENT LIABILITIES:</b>		
3 (a)	<b>Long Term Borrowings</b>		
	<b>3(i) Secured</b>	-	-
		-	-
	<b>3(ii) Un secured</b>		
	Loans and Advances from Related parties	1,00,001	1,00,001
		1,00,001	1,00,001
3 (b)	<b>Total Non Current Liabilities</b>	<b>1,00,001</b>	<b>1,00,001</b>
4	<b>CURRENT LIABILITIES:</b>		
4 (a)	<b>Short Term Borrowings</b>		
		-	-
4 (b)	<b>Trade payable</b>		
	- Payable to micro small & medium enterprise (Ref note below)	-	-
	- Payable to other than micro small & medium enterprise	26,24,277	70,29,957
		26,24,277	70,29,957
	<b>Note:</b>		
	There are Micro, Small and Medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2022 and 31st March, 2021. This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.		
4 (c)	<b>Other Current Liabilities</b>		
	TDS Payable	14,87,121	16,25,497
	GST Payable	7,36,318	3,60,853
	PT payable	19,600	23,200
	PF & ESI Payable	2,04,689	1,91,403
	Gratuity Payable	1,62,191	1,91,505
		26,09,919	23,92,458
4 (d)	<b>Short Term Provisions</b>		
	Provision for Audit fee	59,000	59,000
		59,000	59,000

Particulars		As At	As At
		31-Mar-22	31-Mar-21
6	<b>LONG TERM LOANS &amp; ADVANCES:</b>		
	6 (a) <u>Secured, considered good</u>	-	-
	6 (b) <u>Other loans and advances</u>		
	Project Mobilisation	5,81,00,000	5,81,00,000
	Rental Deposit	1,02,73,000	1,02,73,000
	Other Deposit	1,30,422	1,19,200
		<b>6,85,03,422</b>	<b>6,84,92,200</b>
	6 (c) <b>Total Long Term Loans and Advances</b>	<b>6,85,03,422</b>	<b>6,84,92,200</b>
7	<b>TRADE RECEIVABLES:</b>		
	Unsecured considered good	1,39,73,440	64,28,217
	Trade Receivables ageing schedule for the current period	<b>1,39,73,440</b>	<b>64,28,217</b>
8	<b>CASH &amp; CASH EQUIVALENTS:</b>		
	8 (a) Cash on hand	-	-
	8 (b) <u>Other Bank balances</u>		
	Union Bank of India & HDFC Bank :		
	Fixed Deposits	13,88,85,513	12,06,44,091
	In Savings Bank Accounts	1,98,66,921	3,29,56,389
	<b>Total Cash &amp; Cash Equivalents</b>	<b>15,87,52,434</b>	<b>15,36,00,480</b>
9	<b>Other Current Assets:</b>		
	Accrued Interest on FD	22,49,915	14,47,523
	TDS Receivable	68,44,009	56,64,510
	Other Loans & Advances	17,591	-
		<b>91,11,515</b>	<b>71,12,033</b>

  
 (Dr. V. S. ARUNACHALAM)  
 Chairman  
 DIN : 00400857



  
 (Dr. JAYATIRTHA ASUNDI)  
 Whole Time Director  
 DIN : 08765735

  
 (Dr. K. C. BELLARMINE)  
 Chief Financial Officer

As per our report of even date,  
 for B.R.V. Goud & Co.,  
 Chartered Accountants,  
 FRN: 0009925



(A. B. SHIVA SUBRAMANYAM)  
 Partner  
 M.No: 201108

Place: Bangalore  
 Date: 27.09.2022

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Amount in Rs.)

	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
<b>10</b>	<b><u>Core Grants</u></b>		
	Nilekani Philanthropies	4,00,00,000	2,50,00,000
	OAK Foundation	1,85,00,000	1,56,90,000
	Google LLC	1,26,17,700	-
	Bloomberg Philanthropies	1,45,69,000	-
	MAV Holdings Pte.Ltd	-	1,00,91,761
	Foundation for Innovative New Diagnostics	-	10,40,048
	<b>Total Core Grants</b>	<b>8,56,86,700</b>	<b>5,18,21,809</b>
<b>11</b>	<b><u>Project Grants</u></b>		
	Shakti Sustainable Energy Foundation	8,40,151	2,30,02,299
	John and Catherine T MacArthur Foundation	1,38,89,273	2,75,58,320
	The Nature Conservancy	37,91,902	20,28,073
	United Nations Democracy Fund	73,532	2,03,910
	Children's Investment Fund Foundation	4,21,71,097	3,16,07,964
	Department of Science Technology - Govt of India	6,31,732	6,61,658
	New Venture Fund	2,50,56,067	-
	Department of Defence (IDEX) - Govt of India	85,34,020	1,18,78,108
	Bengaluru Metro Rail Corporation Limited	-	2,083
	Agence Francaise De Developpement	1,02,81,588	1,09,89,607
	Environmental Defence Fund	3,93,305	14,74,930
	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	90,10,203	40,77,300
	Stitching SED Fund	16,41,682	
	Sequoia Climate Fund	69,28,754	
	<b>Total Project Grants</b>	<b>12,32,43,305</b>	<b>11,34,84,252</b>
<b>12</b>	<b><u>Other Income</u></b>		
	Women and Child Development Department	30,00,000	25,00,000
	World Resources Institute India	9,82,832	39,31,328
	Environmental Management & Policy Research Inst	-	12,71,186
	Ernst and Young LLP	20,00,000	
	Shell India Markets PVt Ltd	31,86,400	-
	Indian Institute of Technology, Delhi	5,56,062	1,66,224
	Other Projects Income	27,93,302	7,65,332
	Bank Interest	32,75,076	42,17,836
	<b>Total Other Income</b>	<b>1,57,93,672</b>	<b>1,28,51,906</b>
<b>13</b>	<b><u>Research Expenses</u></b>		
	Staff Salaries (Including Contribution to Provident Fund and other Funds)	12,53,06,612	13,24,06,430
	Staff welfare	7,14,516	14,37,487
	Computer Hire Charges and Maintenance	1,08,06,634	46,78,040
	Books, Journals and Publications	12,83,169	11,92,226
	Conference and Workshops	2,18,096	6,620
	Professional Charges	1,42,02,632	63,57,760
	Printing and Stationery	6,55,638	3,37,286
	Project Equipment	90,06,194	79,85,241
	Project Travel Expenses	33,78,944	12,42,717
	Honorarium & Training Fee	3,72,087	23,516
	<b>Total Research Expenses</b>	<b>16,59,44,522</b>	<b>15,56,67,323</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
14	<b>Administrative and Other Expense</b>		
	Audit Fee	59,000	59,000
	Admin Salary	30,53,823	23,48,282
	Broadband and Telephone Charges	28,12,906	27,33,259
	Electricity Charges	16,47,787	22,78,660
	Security & House Keeping	36,47,786	49,32,417
	Office Maintenance	31,72,227	32,68,208
	Vehicle Maintenance	72,422	35,327
	Rent	3,09,57,716	3,29,39,148
	Postage and Courier	1,26,680	59,665
	<b>Total Administrative &amp; Other Expenses</b>	<b>4,55,50,347</b>	<b>4,86,53,966</b>
15	<b>Finance Costs</b>		
	Bank Charges	92,543	37,349
	Interest on Car Loan	-	22,694
	<b>Total Finance Costs</b>	<b>92,543</b>	<b>60,043</b>

*(Signature)*

(Dr.V.S.ARUNACHALAM)  
Chairman  
DIN : 00400857

*(Signature)*

(Dr JAYATIRTHA ASUNDI)  
Whole Time Director  
DIN : 08765735



*(Signature)*  
(Dr K.C. BELLARMINE)  
Chief Financial Officer

Place: Bangalore  
Date: 27.09.2022

As per our report of even date,  
for B.R.V.Goud & Co.,  
Chartered Accountants,  
FRN: 0009925



*(Signature)*  
(A.B. SHIVA SUBRAMANYAM)  
Partner  
M.No: 201108



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**5 Property, Plant & Equipment and Intangible asset**

	Description	Est Useful Life	Gross Block			Depreciation			Net Block	
			As at 31-Mar-21	Additions / Adjustments	Disposals / Adjustments	As at 31-Mar-22	As at 31-Mar-21	For the year	Disposals / Adjustments	As at 31-Mar-22
<b>5.1</b>	<b>Tangible Assets</b>									
	Land	0	1,14,60,493	-	-	1,14,60,493	-	-	-	1,14,60,493
	Office Equipments	5	92,60,176	-	-	92,60,176	87,147	-	87,34,550	6,12,773
	Furniture and Fixtures	10	26,36,013	-	-	26,36,013	74,095	-	20,20,891	6,89,217
	Vehicles	8	21,43,192	-	-	21,43,192	62,841	-	20,05,747	2,00,286
	Computers	3	2,17,70,243	-	-	2,17,70,243	88	-	2,01,33,284	16,37,047
	<b>Total Tangible Assets</b>		<b>4,72,70,117</b>	-	-	<b>4,72,70,117</b>	<b>2,24,171</b>	-	<b>3,28,94,472</b>	<b>1,45,99,816</b>
<b>5.2</b>	<b>Intangible Assets</b>									
	Software	3	1,40,99,752	-	-	1,40,99,752	1	-	1,33,96,088	7,03,664
	<b>Total Intangible Assets</b>		<b>1,40,99,752</b>	-	-	<b>1,40,99,752</b>	<b>1</b>	-	<b>1,33,96,089</b>	<b>7,03,664</b>
<b>5.3</b>	Capital Work in Progress		38,38,883	40,000	-	38,78,883	-	-	-	38,38,883
<b>5.4</b>	<b>Total Fixed Assets (Total of 5.1+5.2+5.3)</b>		<b>6,52,08,752</b>	<b>40,000</b>	-	<b>6,52,48,752</b>	<b>2,24,172</b>	-	<b>4,62,90,561</b>	<b>1,91,42,363</b>
	<b>PREVIOUS YEAR</b>		<b>6,51,48,752</b>	<b>60,000</b>	-	<b>6,52,08,752</b>	<b>3,75,714</b>	-	<b>4,60,66,389</b>	<b>1,94,58,076</b>

( Amount in Rs )

## CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY

### NOTE 16: SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO ACCOUNTS FOR THE YEAR 2021- 22

#### Overview

CSTEP is a not-for-profit research organization registered under erstwhile section 25 of the Companies Act, 1956 (presently section 8 of the Companies Act, 2013), vide license No.2/B-9350/2005 dated 17.06.2005.

CSTEP is registered under section 12A (A) of the Income Tax Act 1961, vide Regn. No. DIT (E)/12A/Vol I/C-649/W-1/05-06 with effect from 30.06.2005.

The main objective of CSTEP is to undertake multi-disciplinary policy research in areas such as Energy including Energy Efficiency and Renewables, New Materials, Urban Infrastructure and Sanitation, Climate Adaptation and Mitigation, Emergency Management Systems, Smart Grids, etc. for the benefit of various governments and public at large. To meet these objects, CSTEP raises project and core grants support from governments, multi-lateral agencies, private philanthropy and other donors.

#### 1. Significant Accounting Policies:

##### 1.1 Basis for preparation of Financial Statements:

The Financial Statements are drawn up in accordance with historical cost convention and on the accrual basis of accounting, except as otherwise stated. The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of The Companies Act, 2013 and guidelines given by the ICAI for NPO's have been adopted to the extent that they are applicable, in the preparation of financial statements.

##### 1.2 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current event and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

##### 1.3 Property, Plant & Equipment:

Tangible Fixed Assets have been capitalized at acquisition cost with the identifiable expenditure incurred to bring the asset into present condition. Tangible fixed assets are stated at cost of acquisition less depreciation.

Capital work in progress: Tangible fixed assets that are not ready for their intended use are carried at cost, comprising direct cost, related incidental expenses.

#### **1.4 Depreciation:**

Depreciation on fixed assets is charged on written down value method at the rates and mode prescribed in Schedule II of the Companies Act, 2013.

Depreciation on assets bought/sold during the year is charged at the applicable rates on a prorata basis from the date it is put to use or date it is sold.

In respect of PPE where the remainder of useful life is nil, no depreciation is considered since in all such cases the carrying value is less than 5% of its respective cost as on 31-03-2022.

#### **1.5 Revenue Recognition:**

- A) The entire amount of Core grants received during the year is credited to the income and expenditure account.
- B) The project grants received during the year is recognized as income to the extent of project expenditure (including expenditure on acquiring project equipment and related items) incurred during the year.
- C) Interest income is accounted on time proportion basis.
- D) Revenue from other services rendered is recognized on accrual basis based on agreement/contracts with Granting Agencies on rendering of services.

#### **1.6 Employee Benefit:**

##### **A) Short Term Benefits:**

Employee benefits payable wholly within twelve months of rendering the service are classified as Short term. Benefits such as salaries, bonus etc. are recognized in the period in which an employee renders the related service.

##### **B) Provident Fund:**

The organization's contribution to the provident fund is remitted to the appropriate authorities based on a fixed percentage of the eligible employee's salary and charged to income and expenditure account.

##### **C) Gratuity:**

CSTEP has created a Gratuity Fund for the benefit of the employees.

#### **1.7 Foreign Currency Transactions:**

Transactions denominated in foreign currency are accounted at the transacted exchange rates.

#### **1.8 Provisions and Contingencies:**

The organization recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources which can be reliably estimated. Wherever there is a possible obligation that may, but probably will not require an outflow of resources, the same is disclosed by way of contingent liability.

## **1.9 Taxes on Income:**

CSTEP is a Company registered under erstwhile section 25 of the Companies Act, 1956 (presently section 8 of the Companies Act, 2013) and also recognized as a Charitable Institution under section 12A of the Income Tax Act, 1961, the income of which is exempt from tax subject to certain conditions. Therefore no provision for Income Tax is made.

## **1.10 Impairment of Assets:**

At each Balance sheet date, the company reviews the carrying value of tangible and intangible assets to assess, if there is any indication of impairment based in internal/external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

## **1.11 Cash & Cash Equivalents:**

Cash and cash equivalents comprises of Cash at Banks, Demand and Term Deposits.

## **1.12 Current / Non-Current Assets and Liabilities:**

Assets are classified as current when it satisfies any of the following criteria:

- (i) Assets or liabilities that are expected to be realized within 12 months after reporting date are treated as current asset or liabilities,
- (ii) Assets or liabilities that are expected to be realized after 12 months after reporting date are treated as non-current asset or liabilities.

## **2. Other notes to accounts:**

### **2.1 Remuneration of auditors:**

(a) The remuneration of the auditors of a company shall be fixed in its general meeting or in such manner as may be determined therein.

(b) The remuneration under sub-section (a) shall, in addition to the fee payable to the auditors, include the expenses, if any, incurred by the auditor in connection with the audit of the company and any facility extended to them but does not include any remuneration paid to them for any other services rendered by them at the request of the company.

### **2.2 Covid - 19 Impact:**

The Management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets including property, plant & equipment, loans and receivables. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements have used internal & external sources of information to assess the expected future performance of the Company. The company performed sensitivity analysis in the assumptions used and based on the current estimates, it expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2022, are fully recoverable. The management has also estimated the future cash flows for the Company with the possible effects that may result from the Covid- 19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements.

### 2.3 Disputed Project:

CSTEP has been served an interim injunction order dated 18 August 2022 by the Hon'ble Commercial Court of Bangalore restraining it from alienating/transferring/remitting any amounts of the funds received from the European Union as part of the Grant for the SCOPEBIG Project to any person, until further orders. This injunction is an interim relief obtained by Thermax Limited under the provisions of the Arbitration and Conciliation Act in a matter of dispute between Thermax and CSTEP.

2.4 Contingent Liability not provided for : Nil (P.Y. Nil)

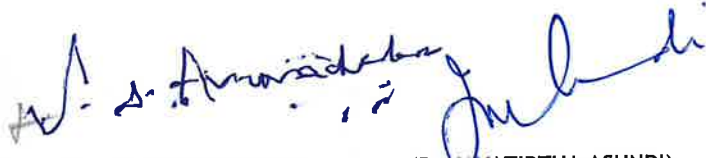
2.5 There are no dues to Micro, Small and Medium Enterprises as on 31.03.2022.

2.6 Expenditure in foreign currency Rs. 7,03,712/- (Previous Year Rs. 1,37,60,984/-).

2.7 Income in foreign currency Rs.17,03,85,314 /- (Previous Year Rs. 17,75,38,026/-).

2.8 All the figures are shown in INR thousands unless otherwise stated.

2.9 Previous year figures have been regrouped / rearranged wherever necessary to suit this year's groupings.



(Dr V.S.ARUNACHALAM)  
DIRECTOR  
DIN: 00400857

(Dr JAYATIRTHA ASUNDI)  
Whole-time Director  
DIN: 08765735



Place: Bangalore  
Date: 27.09.2022

(Dr K.C.BELLARMINE)  
CHIEF FINANCIAL OFFICER

As per our report of even date  
for B.R.V.Goud & Co.,  
Chartered Accountants,  
FRN: 0009925



(A.B.SHIVASUBRAMANYAM)  
PARTNER  
M.No: 201108