

9th Annual Report
& Accounts
2013-14



DIRECTORS' REPORT

Your Directors have pleasure in presenting their Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2014.

Financial Results

Particulars	Amount in Rs.	
	As on 31.03.2013	As on 31.03.2014
Total Revenue	12,74,62,371	70,461,545
Total Expenses	11,69,79,155	8,89,98,116
Surplus (Deficit) for the year	1,04,83,216	(1,85,36,571)
Tax Expense	-	-

Review of operations

The year 2013-14 was quite eventful at CSTEP. The Centre initiated several new projects while successfully completing a few of the ongoing ones. Noteworthy among the new projects initiated were the two large, long-term studies funded by the European Union in hybrid solar-biomass technologies and offshore wind energy in India. The hybrid solar-biomass project is a first of its kind in the country and marked CSTEP's foray into implementation projects. CSTEP also raised a grant for the first time from the Bill and Melinda Gates Foundation for a study on sanitation planning. The year also saw CSTEP's operations being reviewed by two of its important funders – the IDRC and the OAK Foundation - for fresh funding. It is gratifying to note that both the agencies have renewed their funding commitments to CSTEP with increased long term core grants.

The Centre continued to be busy during the year with many interesting projects. CSTEP undertook a short study that examined the impact of the liability clause in the Indian nuclear civil liability law on suppliers of nuclear power plants. This study was funded by the DIFID. In another short study funded by the Climate Parliament, it critically examined the key barriers and gaps in Karnataka's renewable energy policies and infrastructure.

During the year under review, CSTEP revisited its strategic plan by identifying new research domains such as governance studies and contemplating diversifying into new activities including education with special focus on conducting Technology and Public Policy programmes. CSTEP also embarked on focussed efforts for fund raising, targeted at the domestic philanthropy to capitalise on the opportunities arising out of the new CSR obligations.

In January 2014, CSTEP shifted its offices from the DRDO campus to a new location in North Bangalore, bringing the entire CSTEP family to one location. It may be fondly acknowledged that DRDO's munificence in giving free prime office space to CSTEP has played a great role in its successes so far.



The year also had its share of disappointments. A CSTEP led consortium could not win the bid for funding for a large project on climate adaptation studies in the river deltas even though it reached the final round of a rigorous selection process. However, the efforts enabled CSTEP to build capacity in a new and important new domain - climate studies. The Centre also succeeded in raising funding for a short study in climate resilience in South Asia.

The Centre's engagement with the Planning Commission, the Defence Research & Development Organisation, the Ministry of New and Renewable Energy, the Ministry of Power, the Department of Science and Technology, and the Government of Karnataka continued during the year. It also continued to receive funding and other support from its funders and partners.

Directors Responsibility Statement

Your Directors state:

i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;

(ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

(iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) that the directors had prepared the annual accounts on a going concern basis.

Particulars pursuant to Section 217(2A) of the Companies Act, 1956

As required under the above said provisions, read with the Companies (Particulars of employees) Rules 1975, as amended, there were no employees in the company drawing remuneration exceeding the limits specified.

Particulars pursuant to Section 217(1)(e) of the Companies Act, 1956

a. Conservation of Energy

The company's operations are not energy intensive. The Company has taken various measures towards reducing energy costs by using energy-efficient equipments. The company constantly evaluates new technologies and invests to make infrastructure more energy efficient.



b. Technology Absorption, Adaptation and Innovation

Not Applicable

c. Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings – Nil

Foreign Exchange Outgo – Rs. 80,99,418

Directors

Mr. S. V. Ranganath has been appointed as Additional Director of the Company w.e.f. 14th August, 2014.

Auditors

The Company's Statutory Auditor M/s B. R. V. Goud & Co., Chartered Accountants, Bangalore, hold office till the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment for a period of 5 years commencing from the conclusion of the 9th Annual General Meeting till the conclusion of 14th Annual General Meeting to be held in the year 2019 in terms of Section 139 & 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rule, 2014. Further the said appointment shall be ratified by the members at every Annual General Meeting.

Deposits

The Company has not accepted any Fixed Deposits and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

Acknowledgements

The Board wishes to place on record its sincere appreciation of dedicated services rendered by the employees of the company. The Directors would also like to thank the Government Authorities and Agencies, Donors and bankers for their support during the year.

For and Behalf of the Board of Directors
Center for Study of Science, Technology and Policy



Dr. V. S. Arunachalam
Chairman

Date: 19th September, 2014
Place: Bangalore

**AUDITOR'S REPORT****To the Members of CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY****Report on the Financial Statements**

We have audited the financial statements of the **CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY**, No.18, 10th Cross, Mayura Street, Papanna Layout, Nagashettyhalli, R.M.V. II Stage, Bangalore-560 094, which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Income and Expenditure Account for the period from 1st April, 2013 to 31st March, 2014 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of the financial statements that give a true and fair view of the financial position and financial performance of the company in accordance with the accounting standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the 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 control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

- 1) In the case of the Balance Sheet, of the state of affairs of the **CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY** as at 31st March, 2014.
- 2) In case of Income and Expenditure Account, of the Excess of Income over Expenditure for the year ended on that date.

Report on Other Legal and Regulatory Matters

1. In our opinion, the Balance Sheet and Income and Expenditure Account comply with accounting standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

2. On the basis of written representations received from the Management, we report that none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of the Companies act, 1956.

We further report that:

- a) The Balance Sheet and Income and Expenditure Account dealt with by this report, are in agreement with the books of accounts.
- b) In our opinion, proper books of account as required have been kept by the Company so far as appears from our examination of those books.

Place: Bangalore
Date: 19th September, 2014



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

A handwritten signature in black ink, appearing to read 'A B SHIVA SUBRAMANYAM'.

(A B SHIVA SUBRAMANYAM)
PARTNER
M. No. 201108

CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY
BALANCE SHEET AS AT 31st MARCH 2014

(Amount in Rs)

Sl No	PARTICULARS	Note No	As at 31 March 2014	As at 31 March 2013
I	<u>EQUITY AND LIABILITIES</u>			
	(1) Shareholder's Funds			
	(a) Share Capital	1	1,00,000	1,00,000
	(b) Reserves and Surplus	2	12,29,23,339	5,99,63,718
	(2) Share application money Pending Allotment		-	-
	(3) Non-Current Liabilities	3		
	(a) Long-Term Borrowings		1,00,001	1,00,001
	(4) Current Liabilities	4		
	(a) Other Current Liabilities		26,02,113	6,41,810
	(b) Short-Term Provisions		8,41,622	4,63,262
	TOTAL		12,65,67,075	6,12,68,791
II	<u>ASSETS</u>			
	(1) Non-current Assets			
	(a) Fixed Assets	5		
	(i) Tangible Assets		2,16,07,347	2,30,04,250
	(ii) Intangible Assets		33,51,356	47,62,522
	(iii) Capital Work-in-Progress		34,19,383	33,59,383
	(b) Long Term Loans and Advances	6	64,93,905	21,02,058
	(c) Other Non-Current Assets		-	-
	(2) Current Assets			
	(a) Cash and Cash Equivalents	7	9,16,95,082	2,80,40,578
	TOTAL		12,65,67,075	6,12,68,791

Significant Accounting Policies and Other Notes to Financial Statements 14

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



(Dr V.S.ARUNACHALAM)

DIRECTOR





(Dr ANSHU BHARDWAJ)

DIRECTOR



Place: Bangalore

Date: 19/09/14

CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st MARCH 2014


(Amount in Rs)

Sl No	PARTICULARS	Note No	Year ended 31 March 2014	Year ended 31 March 2013
A.	<u>INCOME</u>			
	Core Grants	8	6,87,38,741	4,37,92,314
	Project Grants	9	5,81,61,300	2,61,64,285
	Other Income	10	5,62,330	5,04,946
	Total Income		12,74,62,371	7,04,61,545
B.	<u>EXPENSES :</u>			
	Employee Benefits Expense	11	6,65,52,134	5,66,95,837
	Operations and Other Expense	12	4,46,16,182	2,46,54,565
	Finance Costs	13	29,360	11,395
	Depreciation and Amortization expense	5	57,81,479	76,36,319
	Total Expenses		11,69,79,155	8,89,98,116
C.	Surplus/(Deficit) before Exceptional and Extraordinary items		1,04,83,216	(1,85,36,571)
	Exceptional and Extraordinary items		-	-
	Surplus/(Deficit) before Tax		1,04,83,216	(1,85,36,571)
	Tax Expense		-	-
D.	Surplus/(Deficit) For the Year		1,04,83,216	(1,85,36,571)

Significant Accounting Policies and Other Notes to Financial Statements

14

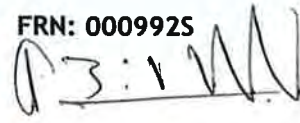
As per our report of even date,
for B.R.V.Goud & Co.,
Chartered Accountants,


(Dr. V.S. ARUNACHALAM)
DIRECTOR




(Dr ANSHU BHARDWAJ)
DIRECTOR



FRN: 000992S

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

Place: Bangalore
Date: 19/09/14

Center for Study of Science, Technology and Policy

10th Cross, Papanna Layout, Mayura Street
Nagashettyhalli, RMV II Stage, Bengaluru-560094
Karnataka, INDIA
Ph: +91 80 6690-2500
www.cstep.in

