

10th Annual Report
& Accounts
2014-15

BOARD'S REPORT

Your Directors have pleasure in presenting the 9th Annual Report together with the audited statement of accounts for the year ended 31st March 2015.

Financial Summary / Highlights/ State of the Company's Affairs

Amount in Rs. Lacs

Particulars	Current Financial Year	Previous Financial Year
Total Revenue	1,098.96	1,274.62
Total Expenditure	1409.13	1169.79
Surplus/Deficit Before Tax	(310.17)	104.83
Tax Expenses	0.00	0.00
Surplus/Deficit After Tax	(310.17)	104.83
Transfer to Reserve and Surplus	(310.17)	104.83
Total Reserves and Surplus	2,071.32	1,229.23

General information about the Company

The year ended 31 March 2015 was another successful period for CSTEP. The Centre's research outputs continued to be well received by the Government and other stakeholders. Its engagement with policy makers including Bureau of Energy Efficiency, NITI Ayog (the erstwhile Planning Commission), Ministry of New and Renewable Energy, Government of Karnataka, etc. continued with more deeper and wider policy research. The year also marked CSTEP's successful foray into climate policy research resulting in the completion of two important programs in this area – a green growth development plan for Karnataka and another on climate adaptation and mitigation. In the urban sanitation space, CSTEP developed the "Santool", a proof of concept to help policy makers choose investment options for sanitation services. The new materials team worked on development of new electrode materials for Lithium and Sodium ion battery systems.

A key highlight of the year was renewal of CSTEP's two long-term core grants from IDRC and the OAK foundation. Both these grants have been renewed for further periods of 5 and 3 years respectively, for amounts significantly higher than the expiring grants. These core grants enable CSTEP to decide its own research agenda besides offering financial stability. CSTEP continued to raise project grants from a wide range of donors to fund its various research programs.

Events subsequent to the date of Financial Statements

There are no material changes and commitments, affecting the financial position of the Company between 31st March 2015 and the date of Board's Report.



Extract of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in **MGT 9** is placed as a part of this Board's Report at **Annexure 1**

Auditors

M/s B. R. V. Goud & Co, Chartered Accountants were appointed as Statutory Auditors of the Company during the 9th Annual General Meeting for a period of 5 years from the conclusion of 9th AGM until the conclusion of 14th AGM 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. In terms of the said provisions, the appointment shall be ratified by the shareholders at every Annual General Meeting.

In view of the above, it is proposed to recommend ratification of the appointment of M/s B. R. V. Goud & Co as Statutory Auditors of the Company for FY 15-16.

Qualification/ reservation / adverse remark / disclaimer made by the Statutory Auditor in his Audit Report:

There are no qualifications, reservations or adverse remarks by the statutory auditor in their reports.

Details of Frauds reported by the Auditor to the Audit Committee or Board

There were no frauds reported by the Auditors to the Board during the year under review.

Conservation of Energy, Technology Absorption And Foreign Exchange Outgo

(a) Conservation of energy:

CSTEP's operations are not energy intensive. The Company has taken adequate measures towards reducing energy costs by using energy efficient equipment. The company also constantly evaluates new technologies and invests to make its offices energy efficient.

(b) Technology absorption:

Not Applicable

(c) Foreign exchange earnings and Outgo

Foreign Exchange earned in terms of actual inflows and outflow during the year

- Foreign Exchange Earnings – Rs.19,44,45,566
- Foreign Exchange Outgo – Rs.13,11,240



Details relating to Deposits, covering the following if deposits accepted

The Company has not accepted any deposits during the year under review.

Significant and material orders passed by the regulators or courts or tribunals if any impacting the going concern status and company's operations in future

No such orders were passed during the year under review.

Details of adequacy of Internal Financial Controls with reference to the Financial Statements

The Company has adequate internal financial controls that commensurate with its size and complexity of operations.

Particulars of Loans, Guarantees or Investments, if any

There were no loans, investments, guarantees, securities given / made by the Company during the year under review.

Risk Management Policy

The Company constantly evaluates both short term and long term risks in its key areas including financial and technical and formulates adequate risk management and mitigation measures.

Corporate Social Responsibility policy (if applicable)

Provisions of the Companies Act, 2013 relating to CSR were not applicable to the Company during the year under review.

Related Party Transactions

There were no contracts or arrangements with related parties referred to in Section 188(1) during the year under review.

Disclosure of Employee Remuneration

There were no employees drawing remuneration exceeding Rs. 5,00,000 p.m. or Rs. 60,00,000 p.a. during the year in terms of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no complaints reported under The Sexual Harassment of Women at Workplace (Prevention, Provision and Redressal) Act, 2013 during the year under review.

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 its Donors, Government, bankers and well wishers for their support during the year.



Annexure number	Details of annexure
1	Annual Return Extracts in MGT 9

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

Place: Bangalore
Date: 25th Aug 2015



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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTER FOR STUDY OF SCIENCE, TECHNOLOGY AND POLICY

1. Report on the financial statements:

We have audited the accompanying Financial Statements of CENTER FOR STUDY OF SCIENCE, TECHNOLOGY AND POLICY, No.18, 10th Cross, Mayura Street, Papanna Layout, Nagashettyhalli, RMV 2nd stage, Bengaluru - 560094, which comprise the Balance Sheet as at 31st March 2015, the Statement of Income and Expenditure and Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's responsibility for the Financial Statement:

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 of these financial statements that give a true and fair view of the financial position and financial performance 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 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 judgements 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the company's preparation of the 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 company 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 operating Company's Directors', 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 on the financial statements.

4. Opinion:

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 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 affairs of the Company as at 31st March, 2015, and its Deficit for the year ended on that date.

5. Report on other Legal and Regulatory Requirements:

This report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2015("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act since as per para 1(2) (iii), the order is not applicable to this company.

As required by Section 143(3) of the Act, we report that:

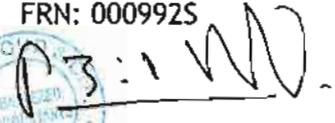
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement Income and Expenditure and the Cash flow statement 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from the being appointed as director in terms of section 164(2) of the Act.





- f) 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 explanation given to us:
- i) the Company does not have any pending litigations which would impact its financial position
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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


A.B. SHIVA SUBRAMANYAM
Partner

Membership No: 201108

Place: Bengaluru
Date: 25/08/2015

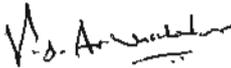
CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY
BALANCE SHEET AS AT 31st MARCH 2015

(Amount in Rs)

Sl No	PARTICULARS	Note No	As at 31 March 2015	As at 31 March 2014
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	20,71,32,457	12,29,23,339
	(2) Share application money Pending Allotment		-	-
	(3) Non-Current Liabilities	3		
	(a) Long-Term Borrowings		14,74,893	1,00,001
	(4) Current Liabilities	4		
	(a) Other Current Liabilities		37,92,094	34,10,027
	(b) Short-Term Provisions		34,200	33,708
	TOTAL		21,25,33,644	12,65,67,075
II	<u>ASSETS</u>			
	(1) Non-current Assets			
	(a) Fixed Assets	5		
	(i) Tangible Assets		1,90,03,063	2,16,07,347
	(ii) Intangible Assets		9,95,060	33,51,356
	(iii) Capital Work-in-Progress		34,74,383	34,19,383
	(b) Long Term Loans and Advances	6	55,05,700	54,15,700
	(2) Current Assets			
	(a) Current Investments	7	9,92,55,716	7,94,03,184
	(b) Cash and Cash Equivalents	8	72,23,186	1,22,91,898
	(c) Short-term loans and advances	9	7,70,76,536	10,78,205
	TOTAL		21,25,33,644	12,65,67,075

Significant Accounting Policies and Other Notes to Financial Statements

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(Dr. V.S. ARUNACHALAM)
DIRECTOR

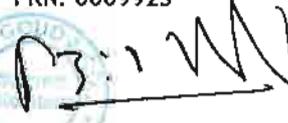

(Dr. ANSHU BHARADWAJ)
DIRECTOR

Place: Bangalore
Date: 25/08/2015




(Dr. K.C. 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

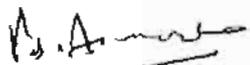
CENTER FOR STUDY OF SCIENCE TECHNOLOGY AND POLICY
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31st MARCH 2015

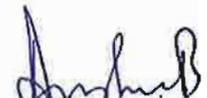
(Amount in Rs)

SI No	PARTICULARS	Note No	Year ended 31 March 2015	Year ended 31 March 2014
A.	<u>INCOME</u>			
	Core Grants	10	3,97,47,967	6,87,38,741
	Project Grants	11	6,40,91,944	5,81,61,300
	Other Income	12	60,55,644	5,62,330
	Total Income		10,98,95,556	12,74,62,371
B.	<u>EXPENSES :</u>			
	Employee Benefits Expense	13	7,54,19,218	6,65,52,134
	Operations and Other Expense	14	5,06,62,212	4,46,16,182
	Finance Costs	15	55,06,475	29,360
	Depreciation and Amortization expense	5	93,24,657	57,81,479
	Total Expenses		14,09,12,562	11,69,79,155
C.	Surplus/(Deficit) before Exceptional and Extraordinary items		(3,10,17,006)	1,04,83,216
	Exceptional and Extraordinary items		-	-
	Surplus/(Deficit) before Tax		(3,10,17,006)	1,04,83,216
	Tax Expense		-	-
D.	Surplus/(Deficit) For the Year		(3,10,17,006)	1,04,83,216

Significant Accounting Policies and Other Notes to Financial Statements

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 (Dr. V.S. ARUNACHALAM)
 DIRECTOR

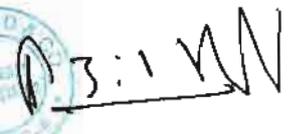

 (Dr. ANSHU BHARADWAJ)
 DIRECTOR

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

Place: Bangalore
 Date: 25/08/2015



 (Dr. K.C. BELLARMINE)
 CHIEF FINANCIAL OFFICER



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

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