# RAY & RAY
CHARTERED ACCOUNTANTS

205, Ansal Bhawan,
16, Kasturba Gandhi Marg, New Delhi – 110001
T +91 11 23705415, 23705416, 41525215
E admin@raynray.in W www.raynray.net

## Auditor's Certificate

We have audited the account of **Indian Council for Research on International Economic Relations**, having its registered office situated at Core 6A, 4th floor, India Habitat Center, Lodhi Road, New Delhi-110003, having registration No. 213650316 dated 01.11.2016 in New Delhi, for the financial year ending **31st March 2022** and examined all relevant books & vouchers and certify that according to audited accounts.

i) The brought forward foreign contribution at the beginning of financial year was **Rs. 1,07,06,614*.**

ii) Foreign contribution of / worth **Rs. 6,68,15,919** was received by the association during the financial year **2021-2022.**

iii) Interest accrued on foreign contribution and other receipts derived from foreign contribution or interest thereon of / worth **Rs. 70,29,437**** was received by the association during the financial year **2021-2022.**

iv) The balance of unutilized foreign contribution with the association at the end of financial year 2022 was **Rs. 2,85,08,294.**

v) Certified that the association has maintained the accounts of foreign contributions and records relating thereto in the manner specified in sec. 19 of the Foreign contribution (Regulation ) Act 2010, ( 42 of 2010) read with the rule 17 of the foreign contribution (Regulations) Rules , 2011.

vi) The information in this certificate and in the enclosed Balance Sheet and statement of Receipts & Payment and Income & Expenditure is correct as checked by us.

vii) The association has utilized the foreign contribution received for the purpose(s) it is registered under Foreign Contribution (Regulation) Act, 2010.

**Foreign Currency in hand aggregating to Rs. 14,953/- as on 31.03.2021 was inadvertently not included in the closing balance certified in that year. This has now been correctly included in the brought forward foreign contribution at the beginning of the financial year.*

*** includes income tax refund of Rs. 66,79,240 inadvertently credited in designated FC bank account with State Bank of India (Refer Note no. 5 Schedule 11 (C)).*

For RAY & RAY
Chartered Accountants
Firm Registration no. 301072E

(Samir Manocha)
Partner
Membership no. 091479
UDIN- 22091479BGDDKC9689

Place: New Delhi
Date: 26.12.2022

RAY & RAY ★ 205, Ansal Bhawan 16, K.G. Marg New Delhi-01 ★ CHARTERED ACCOUNTANTS

# Indian Council for Research On International Economic Relations
## Audited Financial Statements (FCRA)
## Balance Sheet as at 31st March 2022

Amount in ₹

| Particulars | Note Nos. | As at 31/03/2022 |
|---|---|---|
| **SOURCES OF FUNDS** | | |
| Endowment Fund | 1 | - |
| Fixed Assets Fund | 2 | - |
| General Fund | 3 | (1,263,018) |
| **Total** | | **(1,263,018)** |
| **APPLICATION OF FUNDS** | | |
| **Fixed assets** | 4 | |
| Gross block | | - |
| Less: Accumulated depreciation | | - |
| **Net block** | | - |
| **Investments** | 5 | - |
| **Current assets, loans and advances** | | |
| Cash and bank balances | 6 | 28,508,294 |
| Loans and advances | 7 | 5,046,498 |
| | | 33,554,792 |
| **Less: Current liabilities and provisions** | 8 | 34,817,810 |
| | | 34,817,810 |
| **Net Current assets [A-B]** | | (1,263,018) |
| **Total** | | **(1,263,018)** |

Significant Accouting Policies and Notes to the account 11

The accompanying notes referred to above form an integral part of these financial statements

In terms of our report of even date

**For Ray & Ray**
Chartered Accountants
Firm's Registration no. 301072E

RAY & RAY 205, Ansal Bhawan 16, K.G. Marg New Delhi-01 CHARTERED ACCOUNTANTS

**(Samir Manocha)**
Partner
M. No.: 091479

Place: New Delhi
Date : 26.12.2022

**For and on behalf of Board Members of**

S. Gupta

**(Suman Gupta)**
(Secretary)

**(Deepak Mishra)**
(Director & CE)

# Indian Council for Research On International Economic Relations
## Audited Financial Statements (FCRA)
## Statement of Income and Expenditure for the year ended 31st March 2022

| Particulars | Notes | Year ended March 31, 2022 |
|---|---|---|
| **INCOME** | | |
| Grant for specific projects | 9 | 45,307,385 |
| Donation | | - |
| Income on Investments | | - |
| Less: Interest on Fixed Deposit RBI - Chair Endowment Fund as per terms | | - |
| | | - |
| Interest from Savings Bank Account | | 350,197 |
| Other Income | 10 | 947,384 |
| **TOTAL (A)** | | **46,604,966** |
| **EXPENDITURE** | | |
| **Research Expenses** | | |
| Salaries & Allowances | | 18,281,522 |
| Consultancy Charges | | 21,048,256 |
| Travel Expenses | | 624,616 |
| Workshops Seminars & Meetings | | 666,064 |
| Publication Expenses | | |
| Communication Expenses | | 349,889 |
| Library Expenses | | 1,168,465 |
| Earned Leave | | - |
| Gratuity Expense | | - |
| **Administration Expenses** | | |
| Salaries & Allowances | | 1,338,562 |
| Professional Services | | 929,744 |
| Office Expenses | | 287,267 |
| Earned Leave | | 267,823 |
| Gratuity Expense | | - |
| Utility & Electricity Charges | | 869,797 |
| Repair and Maintenance | | 1,675,098 |
| Security Charges and Housekeeping | | 191,958 |
| Property Tax | | 726,373 |
| **TOTAL (B)** | | **48,425,434** |
| **Surplus/(Deficit) before Tax and Depreciation (A-B)** | | **(1,820,468)** |
| Depreciation | | - |
| Less: Depreciation on funded fixed assets | | - |
| Goods & Services Tax paid for earlier years | | |
| Interest on GST, TDS and EPF | | 5,700 |
| **Surplus/(Deficit) after Tax and Depreciation** | | **(1,826,168)** |

Significant Accouting Policies and Notes to the account 11

The accompanying notes referred to above form an integral part of these financial statements

In terms of our report of even date

**For Ray & Ray**
Chartered Accountants
Firm's Registration no. 301072E

RAY & RAY
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CHARTERED ACCOUNTANTS

**(Samir Manocha)**
Partner
M. No.: 091479

Place: New Delhi
Date : 26.12.2022

*for* **and on behalf of Board Members of**

**(Suman Gupta)**
(Secretary)

**(Deepak Mishra)**
(Director & CE)

## Indian Council for Research on International Economic Relations

### Receipts and Payment Account of FCRA for the period from 01.04.2021 to 31.03.2022

| Receipts | Amount (₹) | Payments | Amount (₹) |
|---|---|---|---|
| **Opening Balance** | | | |
| Kotak Mahindra FCRA A/c - 9911779692 | 10,691,661 | Utilisation for Research Studies and Seminars | 43,086,656 |
| SBI FCRA A/c - 40081376334 | - | | |
| Foreign Currency in hand* | 14,953 | Utilisation for Administrative Expenses | 6,286,622 |
| | | Income Tax Refund transferred to Local (Note 5 (C)). | 6,670,398 |
| **Received during the year:** | | **Closing Balance** | |
| Grants Received for studies & seminars | 66,815,919 | Kotak Mahindra FCRA A/c - 9911779692 | 28,487,892 |
| Interest on Savings Account | 350,197 | SBI FCRA A/c - 40081376334 | 5,449 |
| Income Tax Refund | 6,679,240 | Foreign Currency in hand | 14,953 |
| **Total** | **84,551,970** | **Total** | **84,551,970** |

*Foreign Currency in hand of Rs.14,953 was inadvertently ommited to be included in the opening and closing balance of funds in the previous year. There was however no impact on the receipts and payments during that year.

**For Ray & Ray**
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**(Suman Gupta)**
**(Secretary)**

**(Deepak Mishra)**
**(Director & CE)**

Place: New Delhi
Date : 26.12.2022

## Indian Council for Research On International Economic Relations

**Notes to Audited Financial Statements(FCRA)**

| | As at 31/03/2022 |
|---|---|
| GR No. | |
| **NOTE 1: Endowment Fund** | |
| Opening balance | - |
| Add :- Interest on Fixed Deposit RBI - Chair Endowment Fund as per terms | - |
| **Closing Balance** | - |
| **NOTE 2: Fixed Assets Fund** | |
| Opening balance | - |
| Accumulated depreciation reserve | - |
| **Closing Balance** | - |
| **NOTE 3: General Fund** | |
| Opening balance | 563,150 |
| Add: Surplus transferred from Income & Expenditure A/c | (1,826,168) |
| **Total** | **(1,263,018)** |

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| | As at 31/03/2022 |
|---|---|
| **NOTE 5: Investments in Fixed Deposit with Banks:** | |
| HDFC Bank | - |
| ICICI Bank | - |
| IDBI Bank | - |
| IndusInd Bank | - |
| Kotak Mahindra Bank | - |
| Canara Bank | - |
| Standard Chartered Bank | - |
| Investment in GOI Bonds | - |
| **Total** | **-** |
| **NOTE 6: CASH AND BANK BALANCES** | |
| Petty Cash-Imprest | - |
| Foreign Currency in hand | 14,953 |
| ICICI Bank Ltd A/c No: 000701062084 | - |
| Kotak Mahindra Bank A/c No: 01720010028420 | - |
| State Bank of India A/c No: 30614820322 | - |
| Kotak Mahindra FCRA A/c - 9911779692 | 28,487,892 |
| State Bank of India A/c No: 40081376334 | 5,449 |
| **Total** | **28,508,294** |
| **NOTE 7: LOANS AND ADVANCES** | |
| - Advances Recoverable in Cash or in Kind | 210,068 |
| - TDS Recoverable | 671,450 |
| - Interest Accrued | - |
| - Royalty Receivable | - |
| Grants Receivable | 3,832,772 |
| Prepaid Expenses | 332,208 |
| LIC Fund for Gratuity A/c | - |
| **Total** | **5,046,498** |

| | As at 31/03/2022 |
|---|---|
| **NOTE 8: Current Liabilities** | |
| **A. Current Liabilities** | |
| PF Payable | 413,666 |
| TDS Payable | 747,631 |
| GST Payable | -685,235 |
| Sundry Creditors | 1,080,911 |
| Expense Payable | 654,648 |
| Grant received in advance | 25,103,197 |
| **Total [A]** | **27,314,818** |
| **B. Provisions** | |
| - Earned Leave | 6,941,848 |
| - Gratuity | 561,144 |
| **Total [B]** | **7,502,992** |
| | |
| **Total [A+B]** | **34,817,810** |

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| | Year ended 31/03/2022 |
|---|---|
| **NOTE 9: Grants for Special Projects/ activities** | |
| **Project Grants Above 10 lacs** | |
| Bureau of Energy Efficiency | |
| Department of Telecom (DoT) | |
| IIMA Idea Telecom Centre of Excellence | |
| Indian Beverage Association | |
| Internet & Mobile Association of India (IAMAI) | |
| Internet Protocol Television Society | |
| Invest India | |
| Ministry of Electronics and Infn. Technology | |
| NABARD | |
| Reserve Bank of India | |
| The Gem & Jwlry Export Prmtn Council | |
| Apple India (P) Ltd. | 2,333,000 |
| Deutsche Gesellschaft for Intl Zusammenarbeit (GIZ) | 2,641,778 |
| Ford Foundation | 3,946,429 |
| Foreign & Commonwealth Office | 5,496,854 |
| Intl Institute for Sustainable Development | 10,443,734 |
| Konard Adenauer Stiftung E.V. (KAS) | 4,410,395 |
| Prosus Services B.V. | 3,592,471 |
| Toshiba International Foundation | 1,431,382 |
| Walmart Inc. | 5,302,750 |
| World Resource Institute | 2,771,360 |
| Asian Development Bank Institute | 1,881,993 |
| Competition Commission of India | |
| Ministry of Commerce and Industry | |
| National Stock Exchange of India Ltd. | |
| NCDEX Investor (Clients) Protection Fund Trust | |
| Niti Aayog | |
| Department for International Development | |
| Deutsche Gesellschaft for Intl Zusammenarbeit | |
| World Health Organisation | |
| Pricewater House Coopers (P) Ltd. | |
| Project Grants Below 10 lacs | 1,055,239 |
| | **45,307,385** |
| **NOTE 10: Other Income** | |
| Royalty | - |
| Interest on Income Tax Refund | 840 |
| Sundry Balances/Provison Written back | 144,377 |
| Income Recognized on Discount GOI Investment | |
| Misc. Receipts | 73,124 |
| Interest on LIC Gratuity Fund | |
| Exchange Rate Fluctuation | 729,043 |
| | **947,384** |

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**INDIAN COUNCIL FOR RESEARCH ON INTERNATIONAL ECONOMIC RELATIONS**
**For the Year Ended March 31, 2022**

## NOTE- 11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### (A) GENERAL INFORMATION

Indian Council for Research on International Economic Relations (ICRIER), having its registered office in New Delhi, was established on 18.08.1981 as a Society under the Societies Registration Act, 1860. Research is the prime academic activity and ICRIER combines expertise of in-house teams with the experience and skill of external collaborators.

The Society is registered under section 10(23C)(iv) and 80G of the Income Tax Act, 1961. It is also registered under the Foreign Contribution Regulation Act, 2010. The renewal of the FCRA registration is pending to be approved with the relevant authorities.

### (B) SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements:

The financial statements that comprise of the Balance Sheet, Statement of Income and Expenditure together with Notes, are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with applicable Accounting Standards issued by The Institute of Chartered Accountants of India. The financial statements are prepared under the historical cost convention on going concern basis using accrual method unless otherwise stated. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, unless otherwise stated.

#### 2. Use of Estimates:

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

ii) The Society has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. The Society has assessed the carrying amounts based on subsequent events and the state of the business operations during the period of the pandemic and related information including economic forecasts. As a result of this assessment, and based on current estimates, the Society expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Society's financial statements may differ from that estimated as at the date of approval of these financial statements.

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## NOTE- 11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 3. Fixed Assets:

Fixed assets purchased out of fund received from foreign granters have been treated as part of utilization as per grant agreement.

### 4. Revenue Recognition:

The revenue is recognized as follows:

(i) Funds Received for specified projects / activities

The Society receives funds from foreign sources, which are restricted in nature with regard to its utilization as per fund provider's agreements and are recognized/ accounted for when there is reasonable certainty of their ultimate collection. In case of ongoing projects, for which grants were received also for the next period, have been carried forward as a liability to be recognized as Income for the corresponding period.

(ii) Interest income from banks on fixed deposits (Investments) is recognized on the basis of proportionate lapse of time as applied to the amount outstanding and rate applicable. Other interest is recognized as and when received.

(iii) Other income is accounted for as and when accrued.

### 5. Employee Benefits:

**a) Short-Term Employee Benefits:**
Short-term employee benefits including salaries, social security contributions and non-monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

**b) Defined Benefit Plan:**
The employee's gratuity scheme is the Organization's defined benefit plan. The Gratuity liability payable under the payment of Gratuity Act, 1972, provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment. The liability to pay arises once an employee completes five years of uninterrupted service in the organization. It is paid/payable to employee at the time of retirement/resignation or on death to his dependents. Organization's accrued liability towards contribution to gratuity is on the basis of actuarial valuation.

ICRIER has voluntary applied Accounting Standard-15 on Employee Benefits which mandates that wherever applicable, the present value of the obligation under such defined benefit plans is to be determined based on actuarial valuation using the 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. Actuarial gains and losses are to be recognized immediately in the Profit & Loss Account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is to be recognized as an expense on a straight-line basis over the average period until the benefits become vested.

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## NOTE- 11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

c) **Earned leaves:**
Earned Leave is provided for as per actuarial valuation using projected unit credit method for all the eligible

6. **Taxes on Income:**

The Society has received registration under section 10(23C)(iv) of the Income Tax Act 1961 vide registration number AAATI0392MA20062 as a Research Organization. As required by the Income Tax, 1961, the Society has renewed its registration u/s 10(23C)(iv) and 80G of the said Act on 23.09.2021 and is valid from AY 2022-23 to 2026-27

The activities of the society are within the scope of its main objectives and are and are exempt from taxes. As such, no taxes are payable by the society.

7. **Foreign currency transactions:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

8. **Prior period adjustments, extra ordinary items and changes in Accounting Policies:**
Prior period adjustments, extraordinary items and changes in accounting policies having material impact on the financial affairs of the Society are disclosed.

9. **Provision and contingent liabilities:**
Society creates a provision where there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made, when there is a possible obligation or a present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

10. **Events after the Balance Sheet:**

Events occurring after the date of the Balance Sheet, which affect the financial position to the material extent, are taken cognizance of.

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## NOTE- 11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### (C) NOTES TO ACCOUNTS:

1. Separate books of account are maintained for Foreign Contribution and Local Contribution. ICRIER has filed the relevant documents for renewal of its license under the Foreign Contribution Regulation Act, 2010 (FCRA) with the Ministry of Home Affairs on 29.06.2021 which is pending to be approved by the relevant authorities.

2. **Current Assets, Loans and Advances:**

   In the opinion of ICRIER, the current assets, loans and advances of ICRIER have a realizable value to the extent shown in the accounts and the provision for all known liabilities including depreciation are adequate. These are subject to confirmation.

3. **Taxation:**

   No provision for taxation has been made/ required as the Society is exempt from taxes by virtue of section 10(23C)(iv) of the Income tax Act, 1961.

   As required by the Income Tax, 1961, the Society has renewed its registration u/s 10(23C)(iv) and 80G of the said Act on 23.09.2021 and is valid from AY 2022-23 to 2026-27

4. **Contingent liability:**

   Contingent liability on account of a labour dispute awaiting settlement in the Hon'ble Delhi High Court is estimated at Rs. 10,00,000 (2021- Rs. 10,00,000).

5. ICRIER received an Income tax refund of Rs. 66,79,240 on 01.02.2022 which, inadvertently was credited in their designated Foreign Contribution Bank Account maintained with State Bank of India instead of the local bank account maintained in the same bank. This money, being local in nature was transferred to the Society's Local Bank Account to rectify this mistake done by the bankers.

6. Certain old employees have resigned in the previous year. The amount payable towards full and final settlement of their account is under process of being ascertained and liability for the same will be accounted for once the process is completed.

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**INDIAN COUNCIL FOR RESEARCH ON INTERNATIONAL ECONOMIC RELATIONS**
**For the Year Ended March 31, 2022**

**NOTE- 11: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

**7.** The audit of financials of the previous year has been conducted by a firm of Chartered Accountants other than Ray & Ray. Previous year's figures have been regrouped / recast to make them comparable with that of the current year.

**For and on behalf of the Board Members of**

S. Gupta

**Suman Gupta**
**Secretary**

**Deepak Mishra**
**Director & CE**

Place: New Delhi
Date: 26.12.2022

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