Fraser & Ross

Chartered Accountants
ASV N Ramana Tower,
52, Venkatnarayana Road,
T. Nagar,
Chennai - 600 017,
Tamil Nadu, India

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INDEPENDENT AUDITOR'S CERTIFICATE

The Board of Governors
Institute for Financial Management and Research
No.196, TTK Road, Alwarpet, Chennai – 600018

1. This Certificate is issued in accordance with the terms of our engagement letter dated December 01, 2021.

2. We, Fraser & Ross, Chartered Accountants (Firm Registration No: 000829S) are the Statutory auditors of the Institute for Financial Management and Research ("the Society"), No.196, TTK Road, Alwarpet, Chennai – 600018, Tamil Nadu (Registration No.249 of 1970, State of registration: Tamil Nadu) have examined the audited books of accounts and other relevant records and documents maintained by the society for purpose of providing a limited assurance on the accompanying 'Statement of Utilisation of Foreign contribution received for the year ended March 31, 2021, Balance Sheet for foreign contribution as at March 31, 2021, Income and Expenditure Account for foreign contribution for the year ended March 31, 2021 and Receipts & Payments Account for foreign contribution for the year ended March 31, 2021 along with notes therein prepared based on foreign contribution (collectively known as "Annexures") which we have stamped and initialled for identification purposes only to comply with, for the limited purpose of submission to Ministry of Home Affairs under the Foreign Contribution (Regulation) Act, 2010.

Management's Responsibility

3. The Management of the Society is responsible for the preparation of the accompanying financial statements under the Foreign Contribution (Regulation) Act, 2010 and Form FC-4, including the preparation and maintenance of all accounting and other relevant supporting records and documents as prescribed , in accordance with section 19 of Foreign Contribution (Regulation) Act, 2010, read with rule 17 of Foreign Contribution Regulation Rules, 2011 as amended by Foreign Contribution (Regulation) Amendment Rules, 2015. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the said annexures under the Foreign Contribution (Regulation) Act, 2010 and the Form, and applying an appropriate basis for preparation; and making estimates that are reasonable in the circumstances.

4. Management is also responsible for (i) the maintenance of books of accounts in accordance with generally accepted accounting principles (ii) the compliance with guidance note on accounting for not for profit organisations issued by the Institute of Chartered Accountants of India and (iii) compliance of Foreign Contribution (Regulation) Act, 2010 read with the Foreign Contribution Regulation Rules, 2011 as amended by Foreign Contribution (Regulation) Amendment Rules, 2015.

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Auditor's Responsibility

5. Our responsibility, for the purpose of this Certificate, is to provide limited assurance on the particulars contained in the annexures and aggregated with domestic contributions are in agreement with the audited books of account and other relevant records and documents maintained by the Society for the year from 01st April 2020 to 31st March 2021. Our responsibility, for the purpose of this certificate did not include the evaluation and certification of compliance by the Society with all the sections of the Foreign Contribution Regulation Act, 2010 (No.42 of 2010) read with Rules framed under the Foreign Contribution (Regulation) Rules, 2011 while receiving and utilizing foreign contributions.

6. This certificate is based on our examination of the relevant records and information considered necessary for the purposes of issuing this certificate and the information and explanations given to us by the Society. The procedure performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

7. Our examination of the utilization of Foreign Contributions received was confined to the verification of supporting documentary evidence on a test basis for the expenditure incurred and did not include the verification of the delivery of the benefits to the ultimate end user.

8. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

10. Based on our verification as mentioned in Paragraphs 05 and 07 and according to the information and explanations provided to us by the management of the Society, nothing has come to our attention that causes us to believe that the particulars furnished by the Society in annexures including the following particulars in aggregate with all contributions are not in agreement with the audited books of account and such other relevant records and documents maintained by the Society. The particulars are as follows:



Fraser & Ross

S. No.	Particulars	Amount in Rs.
1	Brought Forward Foreign Contribution at the beginning of the year	1,500,790,538
2	Foreign Contribution received by the Society during the year 2020-21	530,364,700*
3	Interest accrued on foreign contributions	79,487,729
4	Balance of unutilised foreign contribution with the Society at the end of the year 2020-21	2,128,117
5	Based on information and explanation provided by the management, the Society has maintained the account of foreign contribution and records relating thereto in the manner specified in Section 19 of the Foreign Contribution Regulation Act, 2010 (42 of 2010) read with the Rule 17 of the Foreign Contribution (Regulation) Rules, 2011.	
6	The information in this certificate along with the domestic contribution in aggregate is in agreement with the audited Balance Sheet and Income and Expenditure account for the year ended March 31, 2021 on which we have expressed an unmodified opinion vide our report with UDIN21029519AAAADU6982 dated 13th September 2021.	
7	The Society has utilised the foreign contribution received for the purposes it is registered under Foreign Contribution (Regulation) Act, 2010.	

*The balance is after excluding the balances relating to World Bank/ UN / International agencies not considered as foreign contribution u/s 2(1)(j)(ii) of the Foreign Contribution Regulation Act, 2010 read with the Rules framed under Foreign Contribution (Regulation) Rules, 2011.

Restriction on Use

11. This certificate is issued at the request of the Society, for submission to Ministry of Home Affairs under the Foreign Contribution Regulation Act, 2010 and is not to be used for any other purpose or to be distributed to any other parties. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Fraser & Ross
Chartered Accountants
(Firm Registration. No. 000829S)

Geetha Suryanarayanan
Partner
Membership No: 29519
UDIN:21029519AAAAEQ2640

Place: Chennai
Date : December 24, 2021

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

(Registered under the Foreign Contribution(Regulation) Act - FCRA no.-075900269)
Statement of Utilisation of Foreign Contributions for the year ended March 31, 2021
Annexure-I

Particulars	Details
FCRA Registration Number & Certificate	**075900269**

Particulars	2020-21 Amount (Rs.)	2020-21 Amount (Rs.)
Opening Balance of Brought Forward Contribution		**1,500,790,538**
Foreign contributions received during the year		
a.Directly from Foreign Source (FC)	559,026,258	
b.Transfer from Local Source (iNR}	3,915,003	
Less: FCS from exempted agencies under FCRA	-32,576,561	
Total Contributions received		**530,364,700**
Interest Income		**79,291,167**
Utilizations		
a.Total Utilizations for Projects as per the Aims & Objectives of the association	698,692,575	
b.FC Transfer to Other Associates	-	
c.Total Administrative Expenses	117,129,809	
d.Total amount invested in fixed deposits	1,289,257,550	
e.Purchase of Property, Plant and Equipment	3,238,354	
f.Total Utilization for the year		**2,108,318,288**
Balances of Unutilised Funds In Bank accounts as at March 31, 2021		**2,128,117**

Based on the table above, we certify in accordance with Foreign Contribution Regulation Rules:

1.Brought Forward Foreign Contribution as on April 1,2020	1,500,790,538
2.Foreign Contribution received during the year 2020-21	530,364,700
3.Interest accrued on foreign contributions	79,291,167
4.Balance of unutilised foreign contribution as at March 31, 2021	1,291,385,667

Notes:

(i) The balance is after excluding the balances relating to World Bank/ UN / International agencies not considered as foreign contribution u/s 2(1)(j)(ii) of the Foreign Contribution Regulation Act, 2010 read with the Rules framed under Foreign Contribution (Regulation) Rules, 2011.

(ii)The Society has maintained the account of foreign contribution and records relating thereto in the manner specified in Section 19 of the Foreign Contribution Regulation Act, 2010 (42 of 2010) read with the Rule 17 of the Foreign Contribution (Regulation) Rules, 2011.

(iii)The Society has utilised the foreign contribution received for the purposes it is registered under Foreign Contribution (Regulation) Act, 2010. Our examination of the utilization of Foreign Contributions received for the purposes specified was confined to the verification of supporting documentary evidence for the expenditure incurred on a sample basis.

For Institute for Financial Management & Research

Lalitha Janakiraman
Chief Financial Officer

Place: Chennai
Date: December 24, 2021

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH ★ CHENNAI 600 018

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Balance Sheet as on 31st March 2021

Annexure-II

SOURCES OF FUNDS			APPLICATION OF FUNDS		
Particulars	**As on March 31, 2021 (Rs.)**	**As on March 31, 2020 (Rs.)**	**Particulars**	**As on March 31, 2021 (Rs.)**	**As on March 31, 2020 (Rs.)**
Restricted Funds			**Property, Plant, and Equipment**		
Opening Balance	298,146,767	249,598,106	Gross Block	71,269,471	69,990,236
Less: Transfer to Project	-8,753,854		Less Depreciation reserve	-47,130,437	-38,519,939
Add: Excess of income over expenditure	24,523,539	48,548,661	**Net Tangible Assets**	**24,139,034**	**31,470,297**
Closing Balance	**313,916,452**	**298,146,767**	**Current assets**		
Research Project Funds			Interest accrued	31,001,810	35,141,376
Opening Balance - specific funds	1,123,604,474	834,823,057	**Accounts receivable**		
Add: Research Grants received during the year	168,141,067	824,881,238	Amounts receivable from donors against reimbursement of project expenses	13,919,608	21,955,335
Add: Transfer from Core Balance	8,753,854				
Less: Transferred to Income and Expenditure account in respect of current year utilisation	-477,908,848	-573,730,674			
Add: Interest on Specific Project fund	40,285,046	37,630,853	**Cash and bank balances**		
Closing Balance Research Project funds	**862,875,593**	**1,123,604,474**	Balances with banks		
Current liabilities and provisions			- in current account	-	118,173
Sundry Creditors	33,466,708	30,573,794	- in FCRA designated savings account	2,128,117	
Provision for compensated absences	17,379,106	13,850,189	- in savings account	18,961,736	33,073,681
Provision for Gratuity	9,514,534	3,980,873	- in deposit accounts	1,270,295,814	1,467,598,684
Funds received in advance for projects	166,982,410	182,849,386	**Loans and advances**		
Statutory and Other liabilities	24,313,438	20,022,087	Amounts to be billed to donors against reimbursement of project expenses	37,856,631	35,702,531
			Prepaid expenses	1,806,586	795,768
			Sundry deposits	12,147,905	12,706,771
			Advances recoverable in cash or in kind	16,191,000	34,464,954
TOTAL	**1,428,448,241**	**1,673,027,570**	**TOTAL**	**1,428,448,241**	**1,673,027,570**

For Institute for Financial Management & Research

Lalitha Janakiraman
Chief Financial Officer
Place: Chennai
Date: December 24, 2021

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH ★ CHENNAI 600 018

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

In terms of our report attached
For Fraser & Ross
Chartered Accountants
(Firm Regn. No. 000829S)

Geetha Suryanarayanan
Partner

Institute for Financial Management and Research
(Registered under the Foreign Contribution(Regulation) Act - FCRA no.-075900269)
Income and Expenditure Account for the year ended March 31, 2021
Annexure -III

Expenditure			Income		
Particulars	**For the Year Ended March 31, 2021 (Rs.)**	**For the Year Ended March 31, 2020 (Rs.)**	**Particulars**	**For the Year Ended March 31, 2021 (Rs.)**	**For the Year Ended March 31, 2020 (Rs.)**
Research project expenses	731,430,235	1,020,749,439	Project reimbursements	850,226,174	1,138,991,165
Employee benefit expenses	62,850,936	59,086,472	Interest income	34,632,582	34,796,547
Administrative and general expenses	**55,610,048**	**36,950,290**			
Auditors Remuneration	1,377,363	1,391,918			
Advertisement Expenses	398,881	31,365			
Books & Periodicals	228,504	527,413			
Postage & Telegrams	4,626,243	920,834			
Printing & Stationery	31,238	56,215			
Legal & Professional fees	6,420,454	9,226,397			
Travelling Expenses	369,993	7,862,772			
Miscellaneous Expenses	231,597	258,809			
Meeting expenses	467,291	3,126,278			
Rent, Rates, Taxes	22,608,100	6,556,457			
Electricity & Water Charges	866,288	214,224			
Insurance	364,658	504,752			
Repairs and AMC	3,212,516	3,125,699			
Office Maintenance	10,700,802	1,774,228			
Computers/ Website/ Software	3,706,120	1,372,929			
Loss on sale of assets	200,158				
Depreciation and amortisation expenses	10,243,841	8,452,850			
Excess of income over expenditure	24,523,538	48,548,661			
TOTAL	**884,858,756**	**1,173,787,712**	**TOTAL**	**884,858,756**	**1,173,787,712**

For Institute for Financial Management & Research

Lalitha Janakiraman
Chief Financial Officer

Place: Chennai
Date: December 24, 2021

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH ★ CHENNAI 600 018

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

In terms of our report attached
For Fraser & Ross
Chartered Accountants
(Firm Regn. No. 000829S)

Geetha Suryanarayanan
Partner

Institute for Financial Management and Research
(Registered under the Foreign Contribution(Regulation) Act - FCRA no.-075900269)
Receipts & Payment Account for the year ended March 31, 2021
Annexure -IV

Receipts			Payment		
Particulars	**For the Year Ended March 31, 2021 (Rs.)**	**For the Year Ended March 31, 2020 (Rs.)**	**Particulars**	**For the Year Ended March 31, 2021 (Rs.)**	**For the Year Ended March 31, 2020 (Rs.)**
Opening Balance	33,191,854	30,370,972	Investment in fixed deposits	1,498,157,767	2,427,519,035
Donor Receipts	530,364,700	1,388,789,223	Research project expenses	698,692,576	1,018,272,714
Interest on savings bank account	1,035,140	1,134,083	Administrative and general expenses	117,129,809	102,296,272
Fixed deposit maturity proceeds	1,695,460,638	2,093,137,221	Purchase of property, plant and equipment	3,238,354	5,357,779
Interest on Fixed Deposit	78,256,027	71,225,212			
Interest on Income Tax Refund		1,980,943			
			Closing Balance	21,089,853	33,191,854
Total	**2,338,308,359**	**3,586,637,654**	**Total**	**2,338,308,359**	**3,586,637,654**

For Institute for Financial Management & Research

Lalitha Janakiraman
Chief Financial Officer

Chennai
Date: December 24, 2021

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH ★ CHENNAI 600 018

In terms of our report attached
For Fraser & Ross
Chartered Accountants
(Firm Regn. No. 000829S)

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

Geetha Suryanarayanan
Partner

Institute for Financial Management and Research
(Registered under the Foreign Contribution(Regulation) Act - FCRA no.-075900269)
Notes to Annexures

IFMR is a not for profit Society established in 1970 and registered under Societies Registration Act XXI of 1860. The Institute is engaged in education and research activities. It has established research centers to undertake research in the areas of finance, insurance, social science, environment etc. These are undertaken by projects which are funded by domestic and foreign contributions based on respective agreements, identified and accounted by using separate project codes by the management which have been relied upon by the auditors.

1.The Balance Sheet, Income & Expenditure Account, Receipt and Payments Account for foreign contribution for the year ended March 31, 2021 and March 31, 2020 has been identified based on project wise details available.

2.Expenses for Research Projects are funded either by domestic or foreign contributions based on respective agreement. These are identified and accounted by using separate project codes by the management and relied upon by the auditors. The common and administrative expenses are segregated between foreign and domestic based on the expense ratio, the aggregate of which is in agreement with the audited balance sheet of society as on March 31, 2021. The expense ratio is computed based on the ratio of total foreign project expenses over the total project expenses including domestic projects.

3.Fixed assets purchased for projects are funded either by domestic or foreign contributions based on respective agreement. These are identified and accounted by using separate project codes by the management and relied upon by the auditors. Based on this, depreciation on assets purchased utilising foreign contribution has been calculated. Aggregate of all fixed assets purchased and the computed depreciation are in agreement with audited books of accounts.

4.Fixed Deposits has been arrived based on fixed deposit details and bank statements available for opening balance of foreign contribution, contribution received during the year and closing balance for unutilised foreign contribution. Interest and Accrued Interest from foreign contributions has been calculated based on the above. The aggregate of fixed deposits, Interest and Interest Accrued on Fixed Deposits for foreign and domestic balances is in agreement with the audited balance sheet of society as on March 31, 2021.

5.Sundry Deposits, Prepaid Expenses and Advances recoverable in cash or in kind, Provision for Gratuity, Provision for compensated absences and Statutory Liabilities are segregated between Foreign and Domestic based on the ratio of expenses between domestic and foreign projects as explained above, the aggregate of which is in agreement with the audited balance sheet of society as on March 31, 2021.

6.Restricted fund balance as on March 31, 2019 represents the surplus of identified assets over identified liabilities as on March 31, 2019 in the above balance sheet.

For Institute for Financial Management & Research

Lalitha Janakiraman
Chief Financial Officer

Chennai
Date: December 24, 2021

INSTITUTE FOR FINANCIAL MANAGEMENT AND RESEARCH ★ CHENNAI 600 018

FRASER & ROSS ★ CHENNAI ★ CHARTERED ACCOUNTANTS

In terms of our report attached
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