

# TWENTY FIFTH ANNUAL REPORT

**2023-24**



ICAI Accounting  
Research Foundation

**ICAI Accounting Research Foundation**

## **BOARD OF DIRECTORS (As on Date)**

1. CA. Ranjeet Kumar Agarwal (President, ICAI)
2. CA. Charanjot Singh Nanda (Vice-President, ICAI)
3. CA. D Prasanna Kumar
4. CA. Kemisha Soni
5. CA. Abhay Kumar Chhajed
6. CA. Kumar Sripriya
7. CA. Vishal Pravinchandra Doshi
8. CA. Sushil Kumar Goyal
9. CA. (Dr.) Jai Kumar Batra (Secretary, ICAI)
10. CA. K. Rahman Khan
11. CA. (Dr.) Amarjit Chopra
12. CA. Bhavna Gautam Doshi
13. CA. Deepak Kumar Gupta
14. CA. (Dr.) Sunil Kumar Gulati

## **AUDIT COMMITTEE**

1. CA. (Dr.) Amarjit Chopra, Chairman
2. CA. Bhavna G. Doshi, Member
3. CA. (Dr.) Sunil Gulati, Member
4. CA. Prakash Sharma
5. CA. Sripriya Kumar

## **STATUTORY AUDITORS**

M/s. Gupta Nayar & Co  
Chartered Accountants  
610, Jaksons Crown Heights  
Plot No. 3B1, Twin District Centre, Sector 10  
Rohini, Delhi – 110085.

## **REGISTERED OFFICE**

ICAI Bhawan, Indraprastha Marg,  
New Delhi – 110002

## **BANKER**

Bank of India,  
Bahadurshah Zaffar Marg,  
Hans Bhawan, Delhi – 110002.

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# ICAI ACCOUNTING RESEARCH FOUNDATION

(CIN : U73200DL1999NPL097935)

Regd. Office: ICAI Bhawan, Indraprastha Marg, New Delhi - 110002

Email: [arf@icai.in](mailto:arf@icai.in) | Web: [www.icaiarf.org.in](http://www.icaiarf.org.in)

## NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting ('AGM') of the members of ICAI Accounting Research Foundation (ICAI ARF) will be held on 30<sup>th</sup> September, 2024 (Monday) at 11:00 am at the Registered Office of the Company, ICAI Bhawan, Indraprastha Marg, New Delhi - 110002 to transact the following business:

### ORDINARY BUSINESS:-

#### ITEM NO. 1

To receive, consider and adopt the Balance Sheet of the Company as at 31<sup>st</sup> March 2024, the Statement of Income & Expenditure and Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Statutory Auditors thereon.

#### ITEM NO. 2

To note vacation of office by CA. Aniket Talati (DIN 02724484) w.e.f. 12<sup>th</sup> February, 2024 and CA. Pramod Jain (DIN 00002190) and CA. Prakash Sharma (DIN 01326150) w.e.f. 23<sup>rd</sup> March, 2024 pursuant to operation of Article 34(xiv) of the Articles of Association of the Company whereby a Director of the Board shall vacate office where such a person was nominated by the Council of the ICAI as per Article 28 (a) or (b).

#### ITEM NO. 3

To appoint a Director in place of CA. K. Sripriya (DIN 03319979) under Clause 28(b) of the Articles of Association, who retires from office by rotation and being eligible, offers herself for re-appointment.

#### ITEM NO. 4

To appoint a Director in place of CA. Abhay Kumar Chhajed (DIN 00203901) under Clause 28(b) of the Articles of Association, who retires from office by rotation and being eligible, offers himself for re-appointment.

#### ITEM NO. 5

To appoint a Director in place of CA. Deepak Gupta (DIN 00136941) under Clause 28(d) of the Articles of Association, who retires from office by rotation and being eligible, offers himself for re-appointment.

#### **ITEM NO. 6**

To appoint a Director in place of CA. (Dr.) Sunil Gulati (DIN 00014534) under Clause 28(d) of the Articles of Association, who retires from office by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:-**

#### **ITEM NO. 7**

**To appoint CA. C.S. Nanda (DIN 01126039) as a Director in the Company under Clause 28(a) of Articles of Association**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or reenactments thereof for the time being in force), CA. C.S. Nanda (DIN 01126039) who was appointed as an Additional Director of the Company on February 12, 2024 and whose term of office expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company".

#### **ITEM NO. 8**

**To appoint CA. Kemisha Soni (DIN 06805708) as a Director in the Company under Clause 28(b) of Articles of Association**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or reenactments thereof for the time being in force), CA. Kemisha Soni (DIN 06805708) who was appointed as an Additional Director of the Company on April 11, 2024 and whose term of office expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company".

#### **ITEM NO. 9**

**To appoint CA. D Prasanna Kumar (DIN 07995989) as a Director in the Company under Clause 28(b) of Articles of Association**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or reenactments thereof for the time being in force), CA. D Prasanna Kumar (DIN 07995989) who was appointed as an Additional Director of the Company on April 11, 2024 and whose term of office expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company, and the period of his office shall be liable to be determination by retirement of directors by rotation”.

By Order of the Board of Directors  
for ICAI Accounting Research Foundation

**(CA. Ranjeet Kumar Agarwal)**  
**Chairman/Director**

Place : New Delhi  
Date : 10<sup>th</sup> September, 2024

**NOTES:**

An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 7**

**To appoint CA. C.S. Nanda (DIN 01126039) as a Director in the Company under Clause 28(a) of Articles of Association**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or reenactments thereof for the time being in force), CA. C.S. Nanda (DIN 01126039) who was appointed as an Additional Director of the Company on February 12, 2024 and whose term of office expires at this Annual General Meeting, be and is hereby appointed as a Director of the Company".

**ITEM NO. 8**

**To appoint CA. Kemisha Soni (DIN 06805708) as a Director in the Company under Clause 28(b) of Articles of Association**

The Board of Directors appointed CA. Kemisha Soni (DIN 06805708) as an Additional Director of the Company with effect from April 11, 2024 under section 161 of the Companies Act, 2013. CA. Kemisha Soni holds office only up to the date of the forthcoming Annual General Meeting of the Company. The notice as per the requirement of Section 160 of the Companies Act, 2013 for CA. Kemisha Soni, being the nominee of the Council of ICAI, has been received. CA. Kemisha Soni is the nominee of the Council on the board of the company under clause 28(b) of Articles of Association.

Except CA. Kemisha Soni, no other directors of the company are concerned or interested in the proposed resolution.

**ITEM NO. 9**

**To appoint CA. D Prasanna Kumar (DIN 07995989) as a Director in the Company under Clause 28(b) of Articles of Association**

The Board of Directors appointed CA. D Prasanna Kumar (DIN 07995989) as an Additional Director of the Company with effect from April 11, 2024 under section 161 of the Companies Act, 2013. CA. D Prasanna Kumar holds office only up to the date of the forthcoming Annual General Meeting of the Company. The notice as per the requirement of Section 160 of the Companies Act, 2013 for CA. D Prasanna Kumar, being the nominee of the Council of ICAI, has been received. CA. D Prasanna Kumar is the nominee of the

Council on the board of the company under clause 28(b) of Articles of Association. Except CA. D Prasanna Kumar, no other directors of the company are concerned or interested in the proposed resolution.

By Order of the Board of Directors for ICAI Accounting Research Foundation

**(CA. Ranjeet Kumar Agarwal)**  
**Chairman/Director**

Place : New Delhi  
Date : 10<sup>th</sup> September, 2024



## **DIRECTORS' REPORT**

### **TO THE MEMBERS OF ICAI ACCOUNTING RESEARCH FOUNDATION**

The Directors have pleasure in presenting the Twenty Fifth Annual Report of the ICAI Accounting Research Foundation (ICAI ARF), together with the Audited Balance-Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March 2024.

ICAI ARF was established in January, 1999 by the Institute of Chartered Accountants of India, as a Section 25 company under the erstwhile Companies Act 1956 (now section 8 Company under Companies Act 2013) and a core research body to promote research in the areas of accounting, auditing, capital markets, fiscal policies, monetary policies and other related disciplines. ICAI ARF believes that proper research inputs are necessary condition for raising the level of corporate governance, management, accounting and financial reporting. High quality research projects based on practical experience with theoretical extrapolations would also provide valuable inputs in formulation of policies and implementation thereof at macro and micro levels.

#### **PERFORMANCE HIGHLIGHTS:**

ICAI ARF has completed another successful year, 2023-24, in establishing it as a core research body in the areas of Accounting, Auditing, Fiscal Laws and Policy, Corporate and Economic Laws and Policies, Economics, Financial Management, Financial Services, Capital and Money Markets and other related disciplines.

Recognizing the impetus required for promoting quality research in the country, the Board has adopted and pursued a multi-pronged action plan to support research projects of contemporary national and international significance in the areas related to accountancy profession. ICAI ARF has extended an open invitation to undertake research to various institutions, research bodies, research scholars and the practitioners on its website.

New value added projects will continue to be the fundamental part of subsistence of ICAI ARF. Accordingly, ICAI ARF reaffirms its commitment to continue undertaking the research projects that would add value and help in spreading, promoting and advancement of various disciplines in the fields of accountancy, auditing, fiscal laws and policy, corporate and economic laws and policies, economics, financial management, financial services, capital and money markets, management information and control systems and other allied fields.

#### **RESEARCH PROJECTS:**

The main objective of the establishment of ICAI ARF is to undertake, conduct, foster, promote and provide aid and facilities for prosecuting core, fundamental, empirical, applied and other kinds of research work, projects and studies. The research work undertaken by ICAI ARF has been divided amongst two branches of research, viz., (1) Basic Research, and (2) Applied Research.

A status update of major research projects presently under implementation is outlined hereunder along with particulars of proposals that are under consideration:

##### **1. BASIC RESEARCH:**

Basic research is designed to add to an organized body of scientific knowledge and does not necessarily produce results of immediate practical value. It is concerned with formulation of a

theory or a contribution to theory. The ICAI ARF involves in carrying out basic research projects pertaining to subjects requiring enquiring into problems and issues significant to accounting and auditing and allied disciplines such as economics, finance and business laws through outsourcing research projects by inviting applications from research bodies/scholars and providing them financial assistance.

## 2. APPLIED RESEARCH:

Applied Research is directed towards the solution of immediate specific and practical problems. It is performed in relation to actual problems and under the conditions in which they are found in practice. The applied research requires systematic study to gain knowledge or understanding necessary to determine the means by which a recognized and specific need may be met.

In view of the above, ICAI ARF has, in past, undertaken 32 research projects related to conversion of accounts from cash basis to accrual system including Accounting of Municipal Corporation of Delhi (MCD), Kolkata Municipal Corporation (KMC), Controller General of Accounts (CGA) and Department of Posts (DoP), Kerala State Insurance Department (KSID), Employees' Provident Fund Organisation (EPFO), Indian Railways (IR), etc. involving conceptualizing a new accounting system including the incorporation of methodologies and procedures not common in India. In continuation to above, the following projects have been undertaken by ICAI ARF:

### 2.1 PROJECTS

- 2.1.1 **Indian Railways' Project** : Work of Rolling Out Accrual Accounting in all the Zonal Railways and Production Units across the country
- 2.1.2 **Second Phase of Indian Railways' Project** : Compilation of data and preparation of Financial Statements for FY 2017-18 & 2018-19 and Balance Sheet as on 31.03.2018 & 31.03.2019 for Indian Railways and Conducting studies on data/system shortcomings observed at the Roll Out Stage during compilation of Financial Statements for FY 2015-16 and 2016-17 and its improvements. Addendum agreement has been awarded for preparation of accrual based Financial Statements of Indian Railways for FY 2019-20 & 2021-21.
- 2.1.3 **Agreement with Emirates Institute for Banking and Financial Studies (EIBFS)** – ICAI ARF is developing Course Material of Business and other laws, Corporate Laws and UAE Taxation and will review 11 subjects' study material to be revised by EIBFS based on ICAI Course Material.
- 2.1.4 **Agreement with CPA, Papua New Guinea:** ICAI ARF has initiated development of study material on Financial Reporting and Financial Risk Management for CPA PNG. The Study Material has been successfully delivered and accepted by CPA PNG.
- 2.1.5 **Treasuries and Accounts Department, Government of Tamil Nadu** : Agreement has been signed with the Treasuries and Accounts Department, Government of Tamil Nadu to undertake rewriting of the following Codes/Rules/Manuals:
  - The Tamil Nadu Treasury Code (Volume I & II : Part I & II)
  - The Pay & Accounts Office Manual
  - The Tamil Nadu Accounts Code (Volume I, II & III)

- 2.1.6 Department of Handlooms, Government of Tamil Nadu :** As mandated by the Department, ICAI ARF has prepared the Standard Operating Procedure for
- Expeditious disposal of assets
  - Value maximisation
  - Compliance with all laws, rules including TN Tender Transparency Act for the realisation of assets of Liquidated Weavers Cooperative Societies in Tamil Nadu.
- 2.1.7 Gap analysis & preparation of common framework for compliance with Major Ports Authorities Act, 2021 and MPA (Accounts & Audit) Rules, 2021 for Indian Ports Association**
- 2.1.8 Compilation of Financial Statements for FY 2021-22 & 2022-23 and Balance Sheet as on 31.03.2022 & 31.03.2023 for Indian Railways, identification, and adjustment of prior period items based on a review of data for the last four years (FY: 2017-18, 2018-19, 2019-20 and 2020-21) mentioned in the notes to accounts of the respective years**
- 2.1.9 Courses for Panchayat/ Municipal Bodies Accountant and Panchayat Examiner to support O/o C&AG**

## **2.2 NEW PROJECT PROPOSALS UNDER CONSIDERATION:**

- 2.2.1 Integrated Reporting in Indian Railways**
- 2.2.2 Compilation of financial statements for the financial years 2023-24 and 2024-25**
- 2.2.3 Treasuries and Accounts Department, Government of Tamil Nadu :** to review the Finance Code of the state and modify &/redraft the document stated supra in the context of the revised business processes and state of business processes and controls in the State.
- 2.2.4 Institutionalizing accounting and financial management reforms in 60 ULBs across Uttar Pradesh**
- 2.2.5 Double Entry Accounting System in the Ahmedabad Municipal Corporation and to prepare the complete integrated balance sheet.**

### **NEW LOGO OF COMPANY**

ICAI ARF has initiated revising the logo of the companies to make it more contemporary.

### **FINANCIAL PERFORMANCE:**

During the year, the revenue from research activities has been Rs. 30170 thousand as against Rs. 11024 thousand in the previous year. The surplus for the year under review amounted to Rs. 9025 thousand as compared to a surplus of Rs. 16 thousand in the previous year. Financial results for the year 2023-24 compared with those of previous year are summarized below:

Amount in '000

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Revenue from Research Activities	30170	11024
Subscription from Members	145	145
Interest from Bank	723	581
Interest from Income Tax Refund	--	21
Miscellaneous Income	---	234
<b>Total Income (A)</b>	<b>31037</b>	<b>12005</b>
<b>Total Expenditure (B)</b>	<b>22011</b>	<b>11989</b>
<b>Surplus/ (Deficit) Before Taxation (C) - (A-B)</b>	<b>9025</b>	<b>16</b>
Less (D) : Current Tax	---	--
Deferred Tax		
Provision for Taxation		
Prior Period Item		
<b>Surplus/ (Deficit) After Taxation (C-D)</b>	<b>9025</b>	<b>16</b>

The Directors propose to appropriate this amount as under:

Amount transferred to General Reserve	<b>9025</b>	<b>16</b>
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<b>Summarized Cash Flow Statement:</b>	<b>2023-24</b>	<b>2022-23</b>
Inflow/(Outflow) from operations	1163	(2755)
(Inflow)/outflow from investing activities	(633)	1260
(Inflow)/outflow from financing activities	42	84
Net increase/(decrease) in cash & bank balance	572	(1411)

### THE WAY FORWARD:

Recognising the fact that considerable efforts are required not only to promote research in the field of accounting in India but also to show and prove its applicability and benefits in the real world, ICAI ARF propose to take a number of proactive measures for undertaking applied research and carrying out research studies. ICAI ARF further plans to intensify promotional campaign for establishing direct contact with the authorities/ organisations/ bodies working as extensions of the Government of India and operating on Cash Basis of Accounting to on the one hand and reaching out to the potential researchers throughout the country, on the other. Also, ICAI ARF is spreading its wings as a core educational body by preparing study material for international educational institutions like EIBFS, CPA PNG.

The list of proposed research projects of contemporary national and international significance would be further expanded. In select areas, ICAI ARF may directly undertake research. Possibilities for networking with research organisation of repute, within and outside India, would be explored. Series of technical documents are proposed to be published and focussed training programmes organised for dissemination of technical knowledge and skills to various stakeholders.

**MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

**DEPOSITS**

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2024. There were no unclaimed or unpaid deposits as on March 31, 2024.

**DIVIDEND**

The Company is restricted by its Memorandum of Association for distribution of dividend among its members.

**CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:**

**Conservation of energy:** The ICAI ARF deals in Basic and Applied research and does not require large quantities of energy. However, wherever possible energy saving efforts are made.

**Technology absorption:** Being a research organization, all the functions and resources are devoted towards research purposes. The IR, EPFO, PFC, MCD, KMC, CGA and DoP projects have been instrumental in building expertise in conversion of accounts to accrual basis.

**Foreign Exchange earnings & Outgo:** Foreign Exchange earnings : 1804 thousands  
Foreign Exchange Outgo : Nil

**EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the auditors in their report. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.

**COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

**ANNUAL RETURN**

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the

financial year ended March 31, 2024, is available on the Company's website and can be accessed at [www.icaiarf.org.in](http://www.icaiarf.org.in).

#### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

Two Meetings of the Board of Directors were held during the year.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required by section 134(5) of the Companies Act, 2013 the Board hereby submit its Responsibility Statement:-

1. In the preparation of annual accounts, applicable accounting standards have been followed with no material departure;
2. The selected accounting policies have been applied 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 Foundation as at 31<sup>st</sup> March 2024 and of the excess of income over expenditure of the Foundation for that period;
3. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for detecting and prevention of fraud and other irregularities; and
4. We have prepared the annual accounts on a 'going concern' basis.
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The ICAI ARF does not have written Risk Management Policy; however closely monitors the threat to the company's existence and considers them to be minimal.

#### **CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of the business of the company.

#### **DETAILS OF DIRECTOR OR KEY MANAGERIAL PERSONNEL**

As on the date of this report, the composition of Board of Directors of the Foundation is as follows:

1. CA. Ranjeet Kumar Agarwal (President, ICAI)
2. CA. Charanjot Singh Nanda (Vice-President, ICAI)\*
3. CA. Dondeti Prasanna Kumar\*\*
4. CA. Kemisha Soni\*\*
5. CA. Pramod Jain\*\*\*
6. CA. Prakash Sharma\*\*\*
7. CA. Abhay Kumar Chhajed
8. CA. Kumar Sripriya
9. CA. Vishal Pravinchandra Doshi
10. CA. Sushil Kumar Goyal
11. CA. (Dr.) Jai Kumar Batra (Secretary, ICAI)
12. CA. K. Rahman Khan
13. CA. (Dr.) Amarjit Chopra
14. CA. Bhavna Gautam Doshi
15. CA. Deepak Kumar Gupta
16. CA. (Dr.) Sunil Kumar Gulati

\* Appointed as director on 12<sup>th</sup> February, 2024

\*\* Appointed as director on 11<sup>th</sup> April, 2024

\*\*\* Office vacated in terms of Article 34 (xiv)

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

During the year under review, the Company has not advanced any loans/given guarantees/ made investments.

### **DECLARATION OF INDEPENDENT DIRECTORS**

The Provision of Section 149 pertaining to the appointment of Independent Directors does not apply to the Company.

### **STATUTORY AUDITORS**

The Board at its 86<sup>th</sup> Meeting held on 13<sup>th</sup> September, 2021 has noted/appointed M/s. Gupta Nayar & Co., Chartered Accountants as Statutory Auditors of the Company for another block of five years from the Financial Year 2021-22 onwards under the relevant provisions of the Companies Act, 2013 and they have confirmed their eligibility in accordance with the provision of the Companies Act, 2013.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

As on the date of this report, the composition of Audit Committee is as under:

1. CA. (Dr.) Amarjit Chopra, Chairman
2. CA. (Dr.) Sunil Gulati, Member
3. CA. Bhavna Gautam Doshi, Member
4. CA. K Sripriya, Member
5. CA. Abhay Chhajed, Member

### **INDUSTRIAL RELATIONS**

ICAI ARF has always maintained cordial and harmonious relations at all levels. Efforts were made to inculcate team spirit and motivate the employees to fully develop their potential.

### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The internal financial controls are adequate with reference to the financial statements.

### **PARTICULARS OF EMPLOYEES**

The activities of the company are being pursued through staff from ICAI. Since the company does not have employees, the provision of Rule 5(2) of the Companies (Management and Administration) Rules, 2014 are not applicable and hence details have not been given.

### **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has not received any complaint on sexual harassment during the current financial year.

### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither any application was made, nor any proceeding is pending under the insolvency and Bankruptcy code, 2016 during the financial year 2023-24.

**DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

Company does not have any loan from banks or financial Institution, hence, there is no question of settlement.

**ACKNOWLEDGEMENT**

The Board takes this opportunity to place on record its appreciation for the continued assistance, support and co-operation received from Indian Railways, Indian Ports Association, Government of Tamil Nadu, M/s. Infosys Technologies Ltd, Bank of India and other authorities, experts, research scholars and individuals during the course of execution of the research projects and in other disciplines.

The Board of Directors sincerely appreciate and commend the valuable contribution made by the employees of the foundation at all levels in the pursuit of achieving objectives of the foundation for another year in succession.

For & On behalf of the Board  
For ICAI Accounting Research Foundation

**(CA. Ranjeet Kumar Agarwal)**  
**Chairman**

**Place: New Delhi**

**Date: 10 September, 2024**



## **INDEPENDENT AUDITORS' REPORT**

To the Members Of  
**ICAI Accounting Research Foundation**  
ICAI Bhawan, Indraprastha Marg, New Delhi-110002

### **Opinion**

We have audited the accompanying standalone financial statements ICAI Accounting Research Foundation ("the Company"), which comprises of the Balance Sheet as at 31 March 2024, the and Statement of Profit & Loss for the year then ended, 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 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 of affairs of the Company as at 31st March 2024, its surplus and its cash flow for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 preparation of 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 financial statements and our auditor's report thereon. The above report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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.

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 as a whole 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

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

1. 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 proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books except for the matters stated in the paragraph "h (v) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- c. The Balance Sheet, Statement of Income and Expenditure and the Statement of Cashflow dealt with by this Report are in agreement with the relevant 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 written representations received from the directors as on 31 March, 2024, taken on record by the Board of Directors, none of the directors stand disqualified as on 31 March, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f. Our reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls is not required as per exemption given to certain private limited companies by the Ministry of Corporate Affairs vide its Notification no. G.S.R 583 (E) dated 13th June, 2017 read with General Circular No. 08/2017 and exemption to Private Company (corrigendum) dated 13th July 2017, section 143(3)(i) of the Act.
- g. The Company, being a private company, is not required to comply with the provisions of Section 197 of the Act with respect to payment of remuneration to directors, hence we have nothing to report in this regard as required by Section 197(16) of the Act.
- h. With respect to the other matters 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 given to us:
  - i. The company does not have any pending litigation which would impact its financial position.
  - ii. There is no such case for which the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - 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 persons or entities, 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, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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 such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. Based on our examination which included test checks, the company has used TALLY GOLD as the accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the same was enabled on May 8, 2023 and has operated up to the year ended 31st March, 2024, for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Further, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

- i. The Company has not declared or paid any dividend during the year.
2. As required by 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, is not applicable to the company and hence is not commented upon.

**FOR GUPTA NAYAR & CO.**  
**Chartered Accountant**  
**Firm Reg. No. 008376N**

**CA. Vaibhav Aggrwal**  
**Partner**  
**Membership No. 549495**  
**Place: Delhi**  
**Date: 14.09.2024**  
**UDIN: 24549495BKDDGO3252**

ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by Guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

Balance Sheet as at 31st March, 2024

(Amount in '000)

	Note No.	As at 31 March 2024		As at 31 March 2023	
<b>EQUITY AND LIABILITIES</b>					
<b>Member's Funds</b>					
(a) Capital Fund	2	50,000		50,000	
(b) Reserves and Surplus	3	(7,287)		(16,355)	
(c) Money received against share warrants		-	42,713	-	33,645
<b>Non Current Liabilities</b>					
(a) Long-term Borrowings			-		-
(b) Deferred Tax Liabilities (Net)			-		-
(c) Other long-term Liabilities					
(i) Earmarked Funds:(Infosys Fellowship Fund)	4		6,543		6,311
(d) Long-term Provisions			-		-
<b>Current Liabilities</b>					
(a) Short-term Borrowings			-		-
(b) Trade Payables :-	5				
(A) total outstanding dues of micro enterprises and small enterprises; and		10		8	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		5,998		5,343	
(c) Other current Liabilities	6	413	6,422	3,340	8,691
(d) Short-term provisions			-		-
<b>TOTAL</b>			<b>55,678</b>		<b>48,647</b>
<b>ASSETS</b>					
<b>Non Current Assets</b>					
(a) Property, Plant and Equipment and Intangibles	7				
(i) Property, Plant and Equipment			8		29
(ii) Intangible Assets			16		20
(iii) Capital work-in-progress			-		-
(iv) Intangible Assets under Development			-		-
(b) Non-Current Investments			-		-
(c) Deferred Tax Assets (Net)			-		-
(d) Long-term loans and advances			-		-
(e) Other Non-Current Assets	8	3,308	3,332	3,308	3,357
<b>Current Assets</b>					
(a) Current Investments			-		-
(b) Inventories			-		-
(c) Trade Receivables	9	26,171		21,896	
(d) Cash and Bank Balances	10	20,314		18,158	
(e) Short-term Loans and Advances	11	5,860		5,236	
(f) Other current assets			-		45,290
<b>TOTAL</b>			<b>55,678</b>		<b>48,647</b>

Significant accounting policies 1

Notes forming part of accounts 17

Notes referred to above form an integral part of the Financial Statements

As per our audit report of even date

For Gupta Nayar & Co.

Chartered Accountants

FRN 008376N

For and on behalf of Board of Directors

CA. Vaibhav Aggrwal

(Partner)

Membership No. : 549495

Place: New Delhi

Date: September 10, 2024

CA Jai Kumar Batra

Director

DIN: 03233571

CA. Charanjot Singh Nanda

Director

DIN : 01126039

CA. Ranjeet Kumar Agarwal

Director

DIN : 00641814

ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

Statement of Income and Expenditure for the year ended 31st March, 2024

(Amount in '000)

	Note No.	For the Year 2023-24	For the Year 2022-23
<b>INCOME</b>			
Revenue against Applied Research Projects	12	30,170	11,024
Other Income	13	868	981
<b>TOTAL INCOME</b>		<b>31,037</b>	<b>12,005</b>
<b>EXPENSES</b>			
Project Expenses	14	18,682	10,214
Professional & Consultancy Charges	15	1,935	1,397
Depreciation and amortisation expenses	7	27	38
Other Expenses	16	1,368	340
<b>TOTAL EXPENSES</b>		<b>22,011</b>	<b>11,989</b>
Excess of Income over Expenditure before exceptional and extraordinary items and tax		<b>9,025</b>	<b>16</b>
Exceptional items		-	-
Excess of Income over Expenditure before extraordinary items and tax		<b>9,025</b>	<b>16</b>
Extraordinary items		-	-
Excess of Income over Expenditure before tax		<b>9,025</b>	<b>16</b>
Tax Expenses			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>Excess of Income over Expenditure after tax</b>		<b>9,025</b>	<b>16</b>

Significant accounting policies 1  
Notes forming part of accounts 17  
Notes referred to above form an integral part of the Financial Statements  
As per our audit report of even date

For Gupta Nayar & Co.  
Chartered Accountants  
FRN 008376N

For and on behalf of Board of Directors

CA. Vaibhav Aggrwal  
(Partner)  
Membership No. : 549495

CA Jai Kumar Batra  
Director  
DIN: 03233571

CA. Charanjot Singh Nanda  
Director  
DIN : 01126039

CA. Ranjeet Kumar Agarwal  
Director  
DIN : 00641814

Place: New Delhi  
Date: September 10, 2024

ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

Cash Flow Statement for the period ended 31st March 2024

(Amount in '000)

	For the Year 2023-24	For the Year 2022-23
<b>Cash Flow from Operating Activities</b>		
Excess of Expenditure over Income	9,025	16
Adjustments for		
Depreciation	27	38
Interest Income	(723)	(581)
Operating income before working capital changes	8,330	(527)
Add / (less) : (increase)/decrease in working capital		
Trade Receivables	(4,275)	(2,192)
Short Term Loans and Advances	1,633	1,312
Other Current Assets	-	902
Current Liabilities	(2,268)	(1,664)
<b>Cash Flow from Operations</b>	<b>3,419</b>	<b>(2,169)</b>
Less: Taxes Paid	(2,256)	(586)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1,163</b>	<b>(2,755)</b>
<b>Cash Flow from Investing Activities</b>		
Interest received	554	2,306
Net Investments in bank deposits (having maturity of more than three months)	(1,207)	(1,069)
Net Investments in Infosys Fellowship Account	(209)	(198)
Infosys Fellowship Fund (Interest)	232	221
Purchase of Fixed Assets	(10)	-
Sale of Fixed Assets	7	-
<b>Net Cash from Investing Activities (B)</b>	<b>(633)</b>	<b>1,260</b>
<b>Cash Flow from Financing Activities</b>		
Capital Reserve - Entrance Fees received	42	84
<b>Net Cash from Financing Activities (C)</b>	<b>42</b>	<b>84</b>
<b>Net Increase in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>572</b>	<b>(1,411)</b>
<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>2,203</b>	<b>3,614</b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b>2,775</b>	<b>2,203</b>
Cash and Cash Equivalent comprise of -		
Balances with Schedule Banks in Current Accounts		
ICAI Accounting Research Foundation Account	2,775	520
Balance with Bank FDR (Flexi Deposits)	-	1,683
	<b>2,775</b>	<b>2,203</b>

1 The above Cash Flow Statement has been prepared as per the indirect method set out in AS-3 specified under Section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

2 The enclosed note 17 form an integral part of the Financial Statements.

3 Figures in parenthesis indicate cash outgo.

4 Previous year figures have been regrouped/reclassified to conform to current year's classification.

5 ICAI ARF Infosys Fellowship Account is lien marked against Infosys Fellowship Fund.

As per our audit report of even date

For Gupta Nayar & Co.

Chartered Accountants

FRN 008376N

For and on behalf of Board of Directors

CA. Vaibhav Aggrwal

(Partner)

Membership No. : 549495

CA. Jai Kumar Batra

Director

DIN: 03233571

CA. Charanjot Singh Nanda

Director

DIN : 01126039

CA. Ranjeet Kumar Agarwal

Director

DIN : 00641814

Place: New Delhi

Date: September 10, 2024



## **Note 1. SIGNIFICANT ACCOUNTING POLICIES**

### **a. COMPANY PROFILE:**

ICAI Accounting Research Foundation (ICAI ARF) is a Company Limited by Guarantee registered on 14<sup>th</sup> January, 1999 under Section 8 of the Companies Act, 2013 (originally set up under Section 25 of the erstwhile Companies Act, 1956).

The objective of the Company is to conceive establish, promote, sponsor, take over, own, run, administer, operate, maintain, equip and control an academy for the purpose of imparting, spreading and promoting knowledge, learning, education and understanding in the fields of accounting, auditing, fiscal Laws and policy, corporate and economic laws and policies, economics, financial management, financial services, capital and money markets, management information and control systems, management consultancy services and allied disciplines by any means.

### **b. SIGNIFICANT ACCOUNTING POLICIES**

#### **I. Basis of accounting and preparation of financial statements**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with accounting principles generally accepted in India and comply with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI).

#### **II. Use of Estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

#### **III. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic value will flow to the Company and the revenue can be reliably measured.

Revenue is recognized on the basis of Percentage of Completion (POC) method as per assessment of physical progress of the service contract having contract scheduled completion period of more than one year, except in cases where progress is less than 25%, which is taken at cost as Services Work in Progress.

Service contract completed within a year, revenue is to be recognized at the time of completion of the contract.

#### **IV. Property, Plant and Equipment**

- i) Property, Plant and Equipment are carried at historical cost less accumulated depreciation and impairment losses, where applicable. The Company capitalizes all costs relating to the acquisition and installation of fixed assets. Cost comprises the purchase price and any attributed cost of bringing the asset to its working condition for its intended use.
- ii) Depreciation on assets is provided on the Written Down Value Method by adopting the useful lives as prescribed in the Companies Act 2013. Depreciation on additions during the year is provided on a pro-rata basis.
- iii) Leasehold rights are amortized on a Straight Line basis over the period of the lease.

**V. Capital Reserve and Grant**

- i) Entrance Fees received from Members is credited to Capital Reserve.
- ii) Grants received for specific project are recorded as Current Liability as and when received and after payment of all expenditure pertaining to that project, unutilised grant is treated as per the directions of the Grantor.
- iii) Grants received for meeting the day to day expenses for the functioning of the company are treated as revenue grants and are accordingly recognised in the statement of income & expenditure.

**VI. Investment of Earmarked funds**

The Fund Balance is invested in Flexi Deposit Account with Nationalised Banks. Interest received, accrued and due and accrued but not due on such investments, are added to the respective funds to the extent not immediately required for expenditure and not treated as income.

**VII. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in bank and deposits with banks. Cash equivalents are highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**VIII. Income tax**

The Company has been granted exemption from Income Tax under section 12A read with section 12AA of the Income Tax Act, 1961.

**IX. Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**X. Intangible Assets**

- i) Intangible assets are recorded at the acquisition cost, which includes the purchase price, customs duties, and other non-recoverable taxes.
- ii) Intangible assets are considered to have a finite useful life. Hence, Intangible assets are amortized on a Straight Line basis over the finite useful life.

## ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

## NOTES TO STATEMENT OF ACCOUNTS

(Amount in '000)

PARTICULARS	As at 31 March 2024		As at 31 March 2023	
<b>Note 2. CAPITAL FUND</b>				
Capital Fund		50,000		50,000
<b>Total</b>		<b>50,000</b>		<b>50,000</b>
<b>Note 3. RESERVES AND SUPRLUS</b>				
<b>Capital Reserve:</b>				
Balance as per last Balance Sheet		1,177		1,093
Entrance fee received during the year		42		84
<b>Total</b>		<b>1,219</b>		<b>1,177</b>
<b>Surplus/(Deficit)</b>				
Balance as per last Balance Sheet		(17,532)		(17,548)
Surplus/(Deficit) transferred from Statement of Income & Expenditure		9,025		16
<b>Total</b>		<b>(8,506)</b>		<b>(17,532)</b>
<b>Grand Total</b>		<b>(7,287)</b>		<b>(16,355)</b>
<b>Note 4. EARMARKED FUND:(Infosys Fellowship Fund)</b>				
Infosys Fellowship Grant		400		400
Balance as per last Balance Sheet	5,911		5,690	
Interest received during the year	232	6,143	221	5,911
<b>Total</b>		<b>6,543</b>		<b>6,311</b>
<b>Note 5. TRADE PAYABLES</b>				
<b>Consultancy Expenses Payable</b>				
-Due to MSME		-		-
-Others		3,435		2,232
<b>Creditors for expenses</b>				
-Due to MSME		10		8
-Others		2,009		2,857
-Related Party		554		255
-Others		-		-
<b>Total</b>		<b>6,008</b>		<b>5,352</b>
<b>Trade Payable ageing (outstanding from the date of transaction) (Refer Annexure-A)</b>				
<b>Note 6. OTHER CURRENT LIABILITIES:</b>				
<b>Statutory Dues</b>				
TDS	413	413	176	176
Advance Billing (CPAPNG)		-		854
Advance Billing (IPA)		-		2,310
<b>Total</b>		<b>413</b>		<b>3,340</b>

**Annexure-A**

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(Amount in '000)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade Payables</b>						
MSME	-	-	-	-	-	-
Others	-	4,973	338	-	697	6,008
Disputed dues-MSME*	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
<b>Total</b>	-	<b>4,973</b>	<b>338</b>	-	<b>697</b>	<b>6,008</b>

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

(Amount in '000)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade Payables</b>						
MSME	-	-	-	-	-	-
Others	-	4,655	-	-	486	5,141
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	211	211
<b>Total</b>	-	<b>4,655</b>	-	-	<b>697</b>	<b>5,352</b>

**ICAI ACCOUNTING RESEARCH FOUNDATION**

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

**NOTE 7: Property Plant & Equipment and Intangibles**

(Amount in '000)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2023	Additions	Net Deletions	As at March 31, 2024	As at April 1, 2023	For the year	Deletions	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
<b>Property Plant &amp; Equipment and Intangibles</b>										
<b>(i) Property Plant &amp; Equipment</b>										
Office Equipments	75	-	-	75	71	-	-	71	4	4
Computers	363	-	76	287	338	13	69	282	5	25
<b>(ii) Intangible Assets</b>										
Leasehold Rights	50,000	-	-	50,000	50,000	-	-	50,000	-	-
Trade Marks*	20	10	-	30	-	14	-	14	16	20
<b>Total</b>	<b>50,458</b>	<b>10</b>	<b>76</b>	<b>50,392</b>	<b>50,409</b>	<b>27</b>	<b>69</b>	<b>50,367</b>	<b>25</b>	<b>49</b>
Previous Year	50,458	-	-	50,458	50,371	38	-	50,409	49	87

\*Trademark is amortised according to the legal rights for a period of 10 years.

ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

NOTES TO STATEMENT OF ACCOUNTS

PARTICULARS	As at 31 March 2024	As at 31 March 2023
<b>Note 8. OTHER NON-CURRENT ASSETS</b>		
Security Deposit		
'-Roll Out	3,308	3,308
	<u>3,308</u>	<u>3,308</u>
<b>Note 9. TRADE RECEIVABLES*</b>		
<b>Unsecured, considered good</b>		
<b>a) Undisputed Trade Receivables</b>	6,402	5,923
<b>b) Unbilled Trade Receivables**</b>		
i) Unbilled Revenue (Roll out) Refer to Note No. 17(VII)	3,654	13,533
ii) Unbilled Revenue (Roll out 2) Refer to Note No. 17(VII)	2,485	2,329
iii) Unbilled Revenue (Addendum) Refer to Note No. 17(VII)		111
iv) Unbilled Revenue (Roll out 3) Refer to Note No. 17(VII)	6,211	-
v) Unbilled Revenue (GOTN) Refer to Note No. 17(VII)	2,898	-
vi) Unbilled Revenue (IPA) Refer to Note No. 17(VII)	4,521	-
* Trade Receivable Ageing: Outstanding from the date of transaction (Refer Annexure-B)		
** As per ICAI Guidance Note, Ageing is not applicable to unbilled Trade Receivable.	<u>26,171</u>	<u>21,896</u>
<b>Note 10. CASH AND BANK BALANCES</b>		
<b>(i) Cash &amp; Cash Equivalents</b>		
<b>a) Balance with Banks</b>		
Balances with Scheduled Banks in Current Accounts*		
ICAI Accounting Research Foundation Account	2,775	520
Balance with Bank Flexi Deposits	-	1,683
(* Balance with bank excludes flexi deposits)		
<b>b) Cash in hand</b>	-	-
<b>Total Cash &amp; Cash Equivalents</b>	<u>2,775</u>	<u>2,203</u>
<b>(ii) Other Bank Balances</b>		
ICAI ARF Infosys Fellowship Account *	6,369	6,160
Fixed Deposit (Under Charge against Bank Guarantee)**		
- Against Roll Out Project FDR	6,753	6,753
- Against Roll Out 2 Project	2,233	2,233
- Against Roll Out 3 Project	1,207	-
Accrued Interest due but not received on FDRs	977	809
(*Balance with bank includes Flexi, lien marked against Infosys Fellowship Fund)		
(**Fixed Deposit having maturity period after 3 Months but before 12 Months)		
<b>Total Other Bank Balances</b>	<u>17,540</u>	<u>15,955</u>
<b>Total</b>	<u>20,314</u>	<u>18,158</u>
<b>Note 11. SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured - considered good, unless stated otherwise)</b>		
<b>Taxes and Duties Recoverable</b>		
TDS Recoverable-Income Tax	3,201	945
TDS Recoverable-GST	343	791
<b>Other Loans &amp; Advances</b>		
Earnest Money with Indian Railway	1,069	644
Goods & Service Tax Input Credit	1,241	2,855
Receivable from AWS	6	1
	<u>5,860</u>	<u>5,236</u>

**Annexure-B**

Ageing for trade Receivables outstanding as at March 31, 2024 is as follows:

(Amount in '000)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	19,768	6,402	-	-	-	-	26,170
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>19,768</b>	<b>6,402</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,170</b>
Less: Provision for doubtful receivable	-	-	-	-	-	-	-
<b>Total</b>	<b>19,768</b>	<b>6,402</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,170</b>

Ageing for trade Receivables outstanding as at March 31, 2023 is as follows:

(Amount in '000)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	15,973	5,923	-	-	-	-	21,896
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>15,973</b>	<b>5,923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,896</b>
Less: Provision for doubtful receivable	-	-	-	-	-	-	-
<b>Total</b>	<b>15,973</b>	<b>5,923</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,896</b>



ICAI ACCOUNTING RESEARCH FOUNDATION (CIN: U73200DL1999NPL097935)

(Limited by guarantee)

ICAI Bhawan, Indraprastha Marg, New Delhi

NOTES TO STATEMENT OF ACCOUNTS

(Amount in '000)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
<b>Note 12. REVENUE FROM APPLIED RESEARCH PROJECTS</b>		
Indian Railway Project		
-Roll out 2	-	830
-Addendum	1,160	1,271
-Unbilled Revenue Roll out {Refer to Note No.17(VII)}	2,832	3,668
-Unbilled Revenue Roll out 2 {Refer to Note No.17(VII)}	1,679	2,329
-Unbilled Revenue Addendum {Refer to Note No.17(VII)}	-	111
-Unbilled Revenue Roll out 3 {Refer to Note No.17(VII)}	6,211	
CAMP & CAP Certification Course	409	-
CPAPNG	1,804	1,707
EIBFS	-	1,108
GoTN Project	1,725	-
Unbilled Revenue GOTN {Refer to Note No.17(VII)}	2,898	-
IPA	6,930	-
Unbilled Revenue IPA {Refer to Note No.17(VII)}	4,521	-
	<u>30,170</u>	<u>11,024</u>
<b>Note 13. OTHER INCOME</b>		
Subscription from Members	145	145
Interest		
Bank Deposits	723	581
Income Tax Refund	-	21
Sundry Balances written back	-	234
	<u>868</u>	<u>981</u>
<b>Note 14. PROJECT EXPENSES</b>		
Indian Railway Project		
- Indian Railway	516	-
- Rollout	1,667	3,105
- Rollout 2	2,020	2,685
- Addendum	113	1,175
- Rollout 3	6,212	-
AAS	-	30
Niti Ayog	-	193
CPAPNG	789	1,429
EIBFS	-	1,597
CAMP & CAP Certification Course	5	-
GoTN Project	3,036	-
IPA	4,325	-
	<u>18,682</u>	<u>10,214</u>
<b>Note 15. PROFESSIONAL AND CONSULTANCY CHARGES</b>		
Professional Charges for Administrative Support	1,935	1,397
	<u>1,935</u>	<u>1,397</u>
<b>Note 16. OTHER EXPENSES</b>		
Statutory Audit Fees	110	110
Internal Audit Fees	110	100
Miscellaneous Expenses	60	16
Sundry Balances Written off	369	33
Travelling & Conveyance Expenses	63	39
Printing & Stationery Expenses	56	42
Video Production Expenses	600	-
	<u>1,368</u>	<u>340</u>

**Note 17            NOTES FORMING PART OF ACCOUNTS:**

- I.     Infosys Fellowship Fund  
Infosys Fellowship Fund represents the fellowship grant received from Infosys Technologies Ltd., to offer fellowship to deserving candidates under the proposed Fellowship Program of ICAI ARF. Interest received on the fund amounting to Rs. 232 thousand for the year ended on 31st March 2024 (Previous Year Rs.221 thousand) has been credited to the fund. The same will be utilized as per the agreement with Infosys Technologies Ltd.
- II.    ICAI ARF is a Small and Medium Sized Company (SMC) as defined in the general instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company is required to comply with the Accounting Standards as applicable to an SMC. However, the Company has prepared Cash Flow Statement, though not mandatory under AS-3.
- III.   ICAI ARF is a Company limited by Guarantee with liability of each member not exceeding Rs.5 thousand (Rupees Five Thousand Only).
- IV.   Trade Payable are subject to confirmation and reconciliation.
- V.    Related Party Disclosures under AS-18
- A. Related parties and their relationship:**
- i.     The Institute of Chartered Accountants of India (ICAI) (Control exists)
- ii.    Key Managerial Personnel : Sh. Jai Kumar Batra, Secretary, ICAI who is Director by virtue of Article 28 (d)(i) of the Articles of Association of the Company

**B. Transactions with Related Parties\*****(Amount in '000)**

<b>Party Name</b>	<b>Relationship</b>	<b>Nature of Transaction</b>	<b>F.Y. 2023-2024</b>	<b>F.Y. 2022-2023</b>
ICAI	Control exists	Membership fees received	171	171
ICAI	Control exists	Entrance fees received	50	99
ICAI	Control exists	Support Service billed	361	-
ICAI	Control exists	Consultant & Other Services received	5021	6859

\*Amount is inclusive of GST

**C. Outstanding Balance as at 31.03.2024\*\*:**

<b>Name</b>	<b>F.Y. 2023-2024</b>	<b>F.Y. 2022-2023</b>
Consultant & Other Services	2009	2857

\*Amount is inclusive of GST

VI. **Disclosure pursuant to section 22 of MSMED Act 2006:**

Disclosure of dues/ payments to micro and small enterprises to the extent such enterprises are identified by the company.

		Amount in '000	
S.No.	Particulars	2024	2023
(i)	The principal amount remaining unpaid as at year end and Interest due thereon remaining unpaid on year end	10	8
	Principal amount due to micro and small enterprises	10	8
	Interest due on above	NIL	NIL
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii)	Delayed payment of principal beyond the appointed date during the year and Interest actually paid under section 16 of MSME Act, 2006	NIL	NIL
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(v)	The amount of interest accrued and remaining unpaid on year end in respect of principal amount settled during the year	NIL	NIL
(vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

VII. Company is following the accounting policy of revenue recognition on the basis of Percentage of Completion method as defined in Note 1 (b) (III) of the Financial Statement. Hence, Unbilled Revenue of Rs. 18142 thousand (Previous Year Rs. 6108 thousand) is recognized for the Financial Year 2023-2024.

VIII. Contingent Liabilities (to the extent not provided for)

a) Guarantees (Given to Indian Railways): Rs. 4941 thousand (Previous Year Rs. 4941 thousand)

IX. Ratios

Amount in '000

Particulars	Numerator	Value as on 31.03.2024	Value as on 31.03.2023	Ratio as on 31.03.2024	Ratio as on 31.03.2023	Variation in %
	Denominator					
Current Ratio	Current Assets	52346	45290	8.15	5.21	36.07
	Current Liabilities	6422	8691			
Trade Receivable Turnover ratio	Net Sales	30170	11024	1.26	0.53	(57.78)
	Average Debtor	24034	20800			
Net Capital Turnover Ratio	Net Sales	30170	11024	0.73	0.30	(58.60)
	Average Working capital	41262	36420			

\* Variation of more than 25% in ratios is due to the recognition of unbilled revenue, advance billing and Work-in-progress of projects.

Debt Equity Ratio & Debt Service Coverage Ratio	Ratios are not applicable since company is debt free
Return on Equity Ratio, Net Profit Ratio & Return on Capital Employed	Ratios are not applicable since company is Non Profit Entity
Inventory Turnover Ratio	Ratio is not applicable since company does not have any inventory
Trade Payable Turnover Ratio	Ratio is not applicable since company is a service provider.

X. There is no transaction with the companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

XI. a) Earnings in Foreign Currency

(Amount in '000)

Particulars	F.Y. 2023-2024	F.Y. 2022-2023
Revenue recognized	1804	2814

b) Exposure in Foreign Currency as at year end not hedged

(Amount in '000)

Particulars	F.Y. 2023-2024	F.Y. 2022-2023
Advance Billing (Export)	-	854
Trade Receivable (Export)	950	-

- XII. a) 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 persons or entities, 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) Other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, 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;
- XIII. No dividend provision has been made during the year.
- XIV. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- XV. The company has not issued any securities where the company has not used the amount for specific purpose for which it was issued at the balance sheet date.
- XVI. The Company does not have any transactions where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- XVII. The Company does not have any immovable property therefore further disclosure as required by the Act is not applicable
- XVIII. The Company has not revalued any item of property, plant and equipment.
- XIX. The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties without terms or repayable on demand, therefore further disclosure as required by the Act is not applicable.
- XX. The Company does not have CWIP during the year therefore further disclosure as required by the Act is not applicable.
- XXI. The Company does not have Intangible Assets under development during the year therefore further disclosure as required by the Act is not applicable.
- XXII. The Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.
- XXIII. The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

- XXIV. The Company have not entered into any scheme(s) of arrangements during the year.
- XXV. The Company does not get covered under Section 135 of Companies Act.
- XXVI. The Company has not traded or invested in Crypto Currency or Virtual Currency during the period.
- XXVII. The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the ongoing tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- XXVIII. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- XXIX. The Company does not have investment in shares of any company therefore compliance for layers of companies as prescribed under companies Act 2013 are not applicable.
- XXX. Old outstanding amount of Rs. 3,68,676/- lying in Interest Accrued on FDRs is written off during the year.
- XXXI. Payment to Auditor excluding GST:

(Amount in '000)

Particulars	F.Y. 2023-2024	F.Y. 2022-2023
Statutory Audit	1000	1000
for taxation matters	0	0
for company law matters	0	0
for management services	0	0
for other services	0	0
For reimbursement of expenses	10	10

**For Gupta Nayar & Co.**

Chartered Accountants  
FRN 008376N

For and on behalf of Board of Directors

**CA. Vaibhav Aggrwal**

(Partner)

Membership No. : 549495

**CA Jai Kumar Batra**

Director

DIN : 03233571

**CA. Charanjot S Nanda**

Director

DIN : 01126039

**CA. Ranjeet K Agarwal**

Director

DIN : 00641814

Place: New Delhi

Date: September 10, 2024