

INDEPENDENT AUDITOR'S REPORT

To the Members of Society
The Centre for Internet and Society

Report on the Audit of Financial Statements

Opinion:

1. We have audited the accompanying financial statements of **The Centre for Internet and Society** ("the Society") which comprise the Balance Sheet as at March 31, 2024, the Statement of Income and Expenditure and the Statement of Receipts and Payments for the year then ended March 31, 2024, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view of the state of affairs (financial position) of the Society as at March 31, 2024, and of its excess of income over expenditure (financial performance) for the year then ended in accordance with the accounting principles generally accepted in India.

Basis for Opinion:

3. We conducted our audit in accordance with the Standards on Auditing (SAs) and other applicable authoritative pronouncements issued by the ICAI. 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 Society in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements, 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.

Emphasis of Matters:

4. We draw attention to the following matters:
 - Note 5(b), which states that the Society has incurred Rs. 15,11,990 in excess of the grant amount received from the donors up to March 31, 2024, against three specific projects i.e., ND IBM Tech Ethics Lab, American University Fund and Mozilla core grant.
 - Note 5(c), which states that during the year, the society recognised unspent specific grant amounting to Rs. 16,06,072 related to 16 Projects as income in Income and Expenditure account and excess spent not reimbursed by the donors amounting to Rs.56,320 relating to 3 Projects as expense in Income and Expenditure account.



- Note 18, which states that during the year, the Society has received sponsorship fee amounting to Rs. 9,90,090 from Google with respect to Community and Content Expansion Program.
- Note 5(d), which states that Ministry of Home Affairs (MHA) specified the list of 'Prior Reference Category (PRC) Donors for which MHA clearance is required to obtain grants. The Society has received funds in previous years from PRC Donors for which closing unspent amount is Rs.48,79,578 after spending of Rs. 56,52,129 during the year. Further, Management has represented that there is no restriction on the use of these funds.

Our opinion is not modified in respect of the above matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. Management of the Society is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Society in accordance with the applicable accounting principles generally accepted in India. This responsibility also includes the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. The management is also responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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 the Standards on Auditing (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.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
 - Evaluate the appropriateness of accounting policies used by the 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 Society'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 Society 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.
9. 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.
10. We also provide with 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.

Restriction on Use:

11. This report has been issued solely for the members of the Society for the purpose of adoption of the financial statements of the Society and for submission to the Registrar of Societies in terms of Section 13 of Karnataka Societies Registration Act, 1960 and therefore should not be used for any other purpose or should not be distributed to any other parties. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Brahmayya & Co.,
Chartered Accountants
ICAI Firm Registration No: 000515S



G. Srinivas
Partner
Membership No: 086761
UDIN: 24086761BKCJEV1685

Place: Bengaluru
Date: September 23, 2024



The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Balance Sheet as at March 31, 2024 (Consolidated)


Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Sources of Funds			
I. Capital and Other Funds			
a) Unrestricted Funds	3	56,02,860	37,98,661
b) Restricted Funds			
i) Capital funds used for purchase of property, plant and equipment	4	8,13,196	7,76,842
ii) Balance in undisbursed funds	5	4,14,32,580	4,38,59,814
		4,78,48,636	4,84,35,317
II. Current Liabilities			
a) Short-term provisions	6	8,00,000	22,94,710
b) Other Current Liabilities	7	3,63,164	6,713
		11,63,164	23,01,423
Total		4,90,11,800	5,07,36,740
Application of Funds			
I. Non-Current Assets			
a) Property, Plant and Equipment and Intangible Assets			
i) Property, Plant and Equipment	4A	8,13,196	7,76,842
ii) Intangible Assets		-	-
b) Long-Term Loans and Advances		-	-
c) Other Non Current Assets	8	3,80,000	20,63,998
		11,93,196	28,40,840
II. Current Assets			
i) Cash and Bank balances	9	4,42,04,416	4,43,10,386
ii) Short-Term Loans and advances	10	21,37,122	21,36,448
iii) Other Current Assets	11	14,77,066	14,49,066
		4,78,18,604	4,78,95,900
Total		4,90,11,800	5,07,36,740
Brief about the Entity	1		
Summary of significant accounting policies	2		


The accompanying notes form an integral part of the financial statements.

As per our report of even date attached


For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000515S

For and on behalf of the Members of
The Centre for Internet & Society


G. Srinivas
Partner
Membership No.: 086761


Tanveer Hasan A.K.
Executive Director




Vikram Hegde
Board Member and Nominee

Place: Bengaluru
Date: September 23, 2024

Place: Bengaluru
Date: September 23, 2024

Place: Bengaluru
Date: September 23, 2024



The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Statement of Income and Expenditure for the year ended March 31, 2024 (Consolidated)


Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Income			
a) Donations and Grants		16,12,651	9
b) Fees from Rendering Services	18	9,90,090	-
c) Income related to Capital Fund		3,39,251	2,37,839
II. Other Income	12	19,27,906	1,550
III. Total Income (I+II)		48,69,898	2,39,398
IV. Expenses			
a) Employee Benefit Expenses		-	-
b) Other Expenses	13	26,70,128	23,12,587
c) Religious/charitable expenses	14	56,320	99,967
d) Depreciation	4A	3,39,251	2,37,839
Total Expenses		30,65,699	26,50,393
V. Excess of Income over Expenditure/ (Expenditure over Income) for the year (III-IV)		18,04,199	(24,10,995)
Transfer to General Fund		18,04,199	(24,10,995)


The accompanying notes form an integral part of the financial statements.

As per our report of even date attached


For **Brahmayya & Co.,**
Chartered Accountants
Firm Registration No. 000515S

For and on behalf of the Members of
The Centre for Internet & Society


G. Srinivas
Partner
Membership No.: 086761


Tanveer Hasan A.K.
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The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Statement of Receipts and Payments for the year ended March 31, 2024 (Consolidated)

RECEIPTS			PAYMENTS				
Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
To opening balance of recoverables		4,43,10,386	6,25,46,013	By Opening Balance of Liabilities		6,713	57,000
i) Cash and bank balances		21,36,451	14,82,175	i) Current Liabilities		22,94,710	-
ii) Short-Term Loans and advances		14,49,066	-	ii) Provisions		-18,94,710	
iii) Other Current Assets		20,63,998	20,63,998	iii) Reversal of Provision for IT Demand-no longer required			
iv) Other Non-Current Assets		4,99,59,901	6,60,92,186	By expenditure against grant sanction during the financial year	5	4,06,713	57,000
To contribution received during the financial year	5	5,02,13,156	3,78,65,963			5,10,34,319	5,38,31,676
		5,02,13,156	3,78,65,963			5,10,34,319	5,38,31,676
To other receipts during the financial year		9,90,090	-	By other payments during the financial year		-	-
i) Consultancy income		31,596	-	i) Expenditure against consultancy income		-	-
ii) Interest Income		1,600	1,550	ii) Untied project expenses		27,26,450	24,12,553
iii) Membership fees		6,580	9	iii) Other Expenses			
v) Donations		10,29,866	1,559	By closing balance of recoverables		27,26,450	24,12,553
To closing balance of liabilities		3,63,164	6,713	i) Cash and bank balances		4,42,04,416	4,43,10,386
i) Other current liabilities		8,00,000	22,94,710	ii) Short-Term Loans and advances		21,37,122	21,36,451
ii) Short-Term Provisions		11,63,164	23,01,423	iii) Other Current Assets		14,77,066	14,49,066
				iv) Other Non-Current Assets		3,80,000	20,63,998
Total		10,23,66,087	10,62,61,131	Total		10,23,66,087	10,62,61,131

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 0005155


G. Srinivas
Partner

Membership No.: 086761
Place: Bengaluru
Date: September 23, 2024




For and on behalf of the Members of
The Centre for Internet & Society



Tanveer Hasan A.K.
Executive Director




Vikram Hegde
Board Member and Nominee

Place: Bengaluru
Date: September 23, 2024

Place: Bengaluru
Date: September 23, 2024

The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

1. Brief about the Entity

The CIS (the "Society") is registered as a society under the Karnataka Societies Registration Act, 1960 w.e.f. 04 July 2008. It has also been granted the status of "Charitable Trust" w.e.f. 05 February 2010 under section 12A of the Income Tax Act, 1961. Along with that, it has also obtained registration under the Foreign Contribution (Regulation) Act, 2010 and the nature of its activities are described as Cultural, Educational and Social.

The primary aim and object of the Centre for Internet and Society (CIS) is to educate the general Indian public and spread awareness about the developments in the field of Internet. It further aims to promote the usage of the Internet and conduct research in the same field.

2. Significant Accounting Policies

A. Basis of Accounting

The Financial Statements of the Society, consisting of Balance Sheet, Receipts & Payments Account and Income & Expenditure Account and corresponding notes, are prepared by the Society under historical cost convention, on cash basis of accounting.

B. Property, Plant and Equipment and Depreciation

Property, plant and equipment purchased towards specific projects are accounted based on fund accounting system and are stated at cost. The purchases are recorded as utilisation in the respective fund.

Further from the FY 2022-23, depreciation is accounted on the amount of PPE using Straight Line Method of depreciation which is adjusted with a corresponding credit to Capital Fund.

C. Donations and Grants

Donations and grants received are recognised as income on receipt of such donation. Donations made with a specific direction that they shall form part of the corpus of the Trust are classified as corpus donations and are directly accounted as society fund receipts in the Balance Sheet.

Grants received from donors which are earmarked with specific budget (specific grants) are accounted based on fund accounting system. The receipts and payments pertaining to the specific fund is accounted in the fund account and the unutilized amount is shown as a liability. Salary cost is allocated to the specific project based on the time spent on specific project estimated on reasonable basis in line with the budget agreed with the donors. Administration and other common expenses are apportioned to the projects to the extent allowable as per the MOU's agreed with the donors.

Unspent amount, if any, at the end of the project period will be returned to the donors if so required by the MOU agreed with the donors, or adjusted against Reserves in the absence of instructions from the donors to the contrary.

(D) Reimbursement of expenses

Expenses incurred by the Society which are reimbursed by the donors, are recognized as expenses on actual payment. The reimbursement received from the donors is recognized as income on actual receipt of the amount. Any amount reimbursed in excess of the actual expenses incurred is considered as income and recognized accordingly in the Income & Expenditure account. Any amount of excess spent which is not reimbursed by the donor is recognised as Expenses in the Income & Expenditure account.



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The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

3. Unrestricted Funds-General Fund

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	37,98,661	62,09,658
Funds transferred/ received during the year	-	-
Funds Utilised during the year	18,04,199	(24,10,997)
Closing balance	56,02,860	37,98,661

4. Restricted Funds

Capital funds used for purchase of property, plant and equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	7,76,842	85,73,046
Add: Additions during the year	3,75,605	4,61,188
Less: Depreciation	(3,39,251)	(2,37,839)
Less: Impairment Loss	-	(80,19,553)
Closing balance	8,13,196	7,76,842

Notes:

1. Property, Plant and Equipment (PPE) held in the books were purchased against specific projects and were accounted based on fund accounting system i.e., recorded as payment in the respective specific project. For the purpose of control, the PPE were notionally recorded in the balance sheet with a corresponding credit to Capital Fund till FY 2021-22.

2. As on March 31, 2022 Gross value of PPE amounting to Rs. 85,73,046. During the previous year, Management of the Society had revalued its assets through certified surveyor. This revaluation led to significant decline in the recorded balances of PPE. To account for this impairment loss, an adjustment was also made to the Capital Fund.

3. Further from the FY 2022-23, depreciation is accounted on the revalued amount of PPE which is adjusted with a corresponding credit to Capital Fund.



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The Centre for Internet & Society

No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

4A. Property, Plant and Equipment

Particulars	Computer & Accessories	Office Equipment	Furniture & Fixtures	Total
Gross Block				
As at April 01, 2023	8,59,370	1,10,328	44,983	10,14,681
Additions	63,349	3,12,256	-	3,75,605
Disposals	-	-	-	-
As at March 31, 2024	9,22,719	4,22,584	44,983	13,90,286
Accumulated Depreciation				
As at April 01, 2023	2,08,944	23,888	5,007	2,37,839
Charge for the year	2,82,958	51,754	4,538	3,39,251
Disposals	-	-	-	-
As at March 31, 2024	4,91,902	75,642	9,545	5,77,090
Net book value				
As at March 31, 2024	4,30,817	3,46,942	35,438	8,13,196



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The Centre for Internet & Society
 No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
 Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

5. Consolidated - Balance in undisbursed funds

Projects	Donor	Opening balance	Receipts during the year	Total funds available for utilisation	Expenses during the year / (Balance recoverable from the donor)	Closed projects transferred to income & expenditure [Refer note (e) below]	Balance as at March 31, 2024				
							[A]	[B]	[C]=[A + B]	[D]	[E]
Develop educational content under a free license	Wikimedia Foundation	52,57,295	2,26,64,663	2,79,21,958	1,38,79,821	-	-	1,40,42,137	-	-	1,40,42,137
Mozilla research grant (Making voice Heard)	Mozilla Voice	-1	92,59,209	92,59,209	76,813	-	-	91,82,396	-	-	91,82,396
Digital Identity	Omidiyar Fund	51,487	-	51,487	-	-51,487	-	-	-	-	-
Tiger project 2.0	Wikimedia Foundation	16,01,762	-	16,01,762	80,320	-	-	15,21,442	-	-	15,21,442
Contributing to public interest copyright policy at the WIPO	American University Fund	-18,44,597	32,48,238	14,03,641	18,83,599	-	-	-4,79,958	(4,79,958)	Excess applied	-
2021 Local Networks (LocNet) research policy and regulatory measures for community networks in India	Association for Progressive Communications telecom	13,666	-	13,666	-	-13,666	-	-	-	-	-
Ford Technology Policy Landscape Grant	Ford Technology Policy Landscape Grant	88,913	-	88,913	-	-88,913	-	-	-	-	-
Feminist Internet Research Network (FIRN) dissemination activities	Association for Progressive Communications FIRN	6,737	-	6,737	4,974	-1,763	-	-	-	-	-
Feminist Internet Research Network (FIRN) dissemination activities	Association for Progressive Communications FIRN 2.0	99,124	597	99,721	99,585	-136	-	-	-	-	-
Feminist Internet Research Network (FIRN) dissemination activities	Association for Progressive Communications OCHS Fund	368	-	368	-	-368	-	-	-	-	-
Feminist Internet Research Network (FIRN) dissemination activities	Association for Progressive Communications OVOF Grant	93,835	617	94,452	-	-94,452	-	-	-	-	-



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The Centre for Internet & Society
 No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
 Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

5. Consolidated - Balance in undisbursed funds

Projects	Donor	Opening balance	Receipts during the year	Total funds available for utilisation	Expenses during the year / (Balance recoverable from the donor)	Closed projects transferred to income & expenditure [Refer note (e) below]	Balance as at March 31, 2024		
							[A]	[B]	[C]=[A + B]
							[F]=[C - D - E]	[G]	[H]
Media market scoping and review	Global Disinformation Index	59,440	-	59,440	-	-59,440	-	-	-
General operating support	Hewlett Foundation	13,608	2,474	16,082	-	-16,082	-	-	-
Support of leadership transition and training	Hewlett Foundation	-0	-	-0	-	-	-0	(0)	(0)
Research on digital platform	Internet Society Foundation Fund	22,88,362	40,285	23,28,647	23,28,647	-	-	-	-
Study of security ramifications of open-source software and areas of targeted intervention	Open Collective Foundation Fund	-49,564	-	-49,564	-49,564	-	-	-	-
Mozilla Core Grant	Mozilla Core Grant (Mozilla Foundation)	27,11,095	61,656	27,72,751	28,68,894	-	-96,143	(96,143)	Excess applied
Mozilla Open Telecom Data India	Mozilla Foundation	9,89,233	24,971	10,14,204	6,70,000	-3,44,204	-	-	-
Omidyar Digital Society Challenge	Omidyar Fund	3,122	-	3,122	-	-3,122	-	-	-
Omidyar Network Core Grant	Omidyar Fund	90,27,510	-	90,27,510	41,47,931	-	48,79,578	-	48,79,578
Omidyar Vision Grant	Omidyar Fund	15,04,198	-	15,04,198	15,04,198	-	-	-	-
PI Surveillance Drivers	Privacy International	-	-	-	-	-	-	-	-
Privacy International Fund 2021-22	Privacy International	18,466	4,521	22,987	-	-22,987	-	-	-
The International Labour Organisation Fund	The International Labour Organisation Fund	5,18,593	3,12,796	8,31,389	8,29,225	-2,164	-	-	-
Digital identity systems: Developing a dynamic evaluation framework tool	Research ICT Africa Fund	55,798	65,775	1,21,573	85,441	-36,132	-	-	-
Research on facial recognition technology in India	University of Essex Fund	8,36,206	9,277	8,45,483	-	-8,45,483	-	-	-
Research on the state of the internet's languages	Whose Knowledge Fund	0	-	0	-	-	0	-	0



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Supriya

The Centre for Internet & Society

No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047

Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

5. Consolidated - Balance in undisbursed funds

Projects	Donor	Opening balance	Receipts during the year	Total funds available for utilisation	Expenses during the year / (Balance recoverable from the donor)	Closed projects transferred to income & expenditure [Refer note (e) below]	Balance as at March 31, 2024	
							Total	Excess applied
		[A]	[B]	[C]=[A + B]	[D]	[E]	[F]=[C - D - E]	[H]
Research on technical standards for artificial intelligence in the Indo-Pacific	Australian Strategic Policy Institute	6,17,571	14,13,634	20,31,205	20,05,532	-25,673	-	-
To promote and safeguard Internet freedoms through better civil society understanding of internet censorship, digital rights and safety in advocacy	East West Management Institute	12,78,512	16,66,017	29,44,529	21,57,781	-	7,86,748	7,86,748
To conduct a mixed methods research study to comprehensively understand digital safety in India, and inform interventions beneficial for at-risk communities.	Google.Org (Tides) Digital Safety	1,17,22,676	1,01,770	1,18,24,446	60,54,346	-	57,70,100	57,70,100
Charitable, scientific, literary, religious or educational purposes and digital resilience in social justice research in South Asia	New Venture Fund	15,70,549	83,51,935	99,22,484	98,68,962	-	53,522	53,522
To conduct research and host workshops in the area of transgressive technologies in an India-EU Context, and trends in data governance in India and the EU	Tilburg University	3,49,346	6,998	3,56,344	35,000	-	3,21,344	3,21,344
Social Protection Project- To research on the National Digital Health Mission ("NDHM") ecosystem, potentially leading to proactive deliberations on the steps that may need to be taken to modify / strengthen the NDHM ecosystem.	PI Digital Health & Social Protection in India	2,55,690	6,577	2,62,267	-	-	2,62,267	2,62,267



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The Centre for Internet & Society
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Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

5. Consolidated - Balance in undisbursed funds

Projects	Donor	Opening balance	Receipts during the year	Total funds available for utilisation	Expenses during the year / (Balance recoverable from the donor)	Closed projects transferred to income & expenditure [Refer note (e) below]	Balance as at March 31, 2024				
							[A]	[B]	[C]=[A + B]	[D]	[E]
ND IBM Tech Ethics Lab	ND IBM Tech Ethics Lab	-	13,44,712	13,44,712	22,80,600	-	-9,35,888	(9,35,888)	Excess applied		
PI 2024-25 Fund	PRIVACY INTERNATIONAL	-	3,75,771	3,75,771	-	-	3,75,771	-			3,75,771
The Tides Foundation	The Tides Foundation	-	12,50,663	12,50,663	2,214	-	12,48,449	-			12,48,449
Regulatory practices lab	Facebook India Online Services Pvt Ltd IL 2019 Fund	23,40,000	-	23,40,000	-	-	23,40,000	-			23,40,000
Regulatory practices lab	Facebook India Online Services Pvt Ltd RPL 2018-19	16,024	-	16,024	-	-	16,024	-			16,024
Research on artificial intelligence and privacy, RPL	Google India Pvt Ltd	13,85,792	-	13,85,792	-	-	13,85,792	-			13,85,792
MSR grant 2020	Microsoft Research Lab India Pvt Ltd	7,59,000	-	7,59,000	-	-	7,59,000	-			7,59,000
Nectar Grant Fund	North East Centre for Technology AR	2,20,000	-	2,20,000	2,20,000	-	-0	(0)			-
Google for Collaborating with Hindi Community Grant	Google India Pvt Ltd (HCG)	-	-	-	-	-	-	-			-
Total		4,38,59,814	5,02,13,156	9,40,72,970	5,10,34,319	-16,06,072	4,14,32,580	-15,11,990			4,29,44,569

(a) The undisbursed funds of Rs. 4,14,32,580/- as at March 31, 2024 is subject to confirmation by the respective donors.

(b) The excess expenditure over specific grants amounting to Rs. 15,11,990 is recoverable from the respective donors.

(c) During the year, the society recognised unspent specific grant amounting to Rs. 16,06,072 (16 Projects) as income in Income and Expenditure account and excess spent not reimbursed by the donor amounting to Rs.56,320 (3 Projects) as expense in Income and Expenditure account.

(d) Ministry of Home Affairs (MHA) specified the list of 'Prior Reference Category' (PRC) Donors for which MHA clearance is required to obtain grants. The Society has received funds in previous years from PRC Donors for which closing unspent amount is Rs.48,79,578 after spending Rs. 56,52,129 during the year. Management has represented that there is no restriction on the use of these funds.

(e) From time to time, the Society receives grants from private corporations like Mozilla Core Grant carry out research. Unlike foundations which provide grant letters for research, companies provide 'gift letters' or 'letters of support' for the disbursement of funds. Though structured as a 'gift letter' or 'letter of support', the work has defined outputs and deliverables, timelines, and a budget just like a grant letter. The gifts or support are not given in exchange of services or products but to support research and/or educational endeavours similar to Grants from foundations. The Society uses the funds towards salaries and research costs as well as administrative costs of furthering the research and academic goals as per the specific requirements of the project. Any funds from the gift/support remaining beyond the timeframe in the letter of gift/support is used towards furthering project and organisational requirements in similar areas of research, as per the understanding with the corporates. Accordingly, these funds are considered as earmarked grants and are accounted under the fund accounting system.



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The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

6. Short-term provisions

Particulars	As at March 31, 2024	As at March 31, 2023
i) Provision for Tax penalty (refer note 17)	-	18,94,710
ii) Provision for Audit fees	8,00,000	4,00,000
Total	8,00,000	22,94,710

7. Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
i) Statutory liabilities	3,62,537	2,200
ii) Other payables	627	4,513
Total	3,63,164	6,713

8. Other Non-Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
i) Rent Deposits	3,80,000	6,00,000
ii) Funds recoverable (refer note 15)	-	14,63,998
Total	3,80,000	20,63,998

9. Cash and Bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and Cash Equivalents		
i) Cash in hand	-	-
ii) Cash at bank	4,42,04,416	4,39,05,680
Other bank balances		
i) Term deposits (Refer note below)	-	4,04,706
Total	4,42,04,416	4,43,10,386

Note:

During the year, the term deposit held with Kotak Mahindra Bank (A/c No.: 9612653857) has been matured and the proceeds along with accrued interest have been credited to the Bank Account.

10. Short-Term Loans and Advances

Particulars	As at March 31, 2024	As at March 31, 2023
i) Staff Advances	10,371	1,04,035
ii) Other Advances	2,32,041	1,37,703
iii) Advance paid against Income Tax demand (refer note 17)	18,94,710	18,94,710
Total	21,37,122	21,36,448



30/03/2024



H. S. Srinivasan

The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

11. Other Current Assets		
Particulars	As at March 31, 2024	As at March 31, 2023
i) TDS recoverable	14,77,066	14,49,066
ii) Other receivables	-	-
Total	14,77,066	14,49,066
12. Other Income		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Interest income	31,596	-
ii) Dividend income	-	-
iii) Reversal of provision for Income tax demand-no longer required (refer note 16)	18,94,710	-
iv) Membership Fees	1,600	1,550
v) Miscellaneous Income	-	-
Total	19,27,906	1,550
13. Other Expenses		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Auditor's Remuneration	4,00,000	4,00,000
ii) Write-off of non recoverable advances	14,63,998	-
iii) Bank Charges	2,588	2,466
iv) Provision for Income Tax demand	-	18,94,710
v) General Expenses	1,63,353	9,676
vi) Rates and Taxes	20,866	5,735
vii) Professional Fee	40,000	-
viii) Rent	5,79,323	-
Total	26,70,128	23,12,587
14. Religious/ charitable expenses		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Excess spent not reimbursed recognised as expenses		
-Open Collective Fund	49,564	-
-Omidyar Vision Grant	-	-
-PI Surveillances Drivers	-	54,745
-Mozilla research grant (Voice)	-	45,222
- Internet Society Foundation Fund	2,164	-
-Nectar Grant Fund	4,592	-
Total	56,320	99,967



56,320



H. S. S. S.

The Centre for Internet & Society
No. 32, 1st Floor, 2nd Block, Austin Town, Bangalore-560047
Notes forming part of the Financial Statements for the year ended March 31, 2024 (Consolidated)

15. Advance recoverable suspense

During the financial year 2014-15, the Society had identified misappropriation of funds alleged to have been committed by an employee in charge of finance and accounts function at the Society. The employment contract with this individual has been terminated in 2015. Further the Board had also conducted a forensic investigation of the financial irregularities with the assistance of external consultants M/s. Deloitte Touche Tohmatsu India LLP.

During the financial year 2014-15, the Society initiated criminal proceedings against a former employee accused of misappropriation, which are still ongoing. In the financial year 2018-19, the Society also began civil recovery procedures (CNR: KABC010297122018) related to the alleged misappropriation amounting to Rs. 14,63,998.

However, in the board meeting held on July 2, 2023, it was decided, based on the lawyer's advice, to close the civil case and the advance recoverable is written off to Income and Expenditure account. As a result, the case was formally withdrawn, and the court issued an order for its disposal on September 5, 2023.

16. Income Tax

The Society is currently registered under section 12A of the Income Tax Act, 1961 with Director of Income tax (exemptions) vide registration no .DIT(E)BLR/12A/C-713/AAABC0380R/ ITO(E)-Vol 2009-2010 dated 25 February 2010 w.e.f. 05 February 2010 and this registration was renewed, a new Certificate was issued by the ITO, with Unique Registration Number AAABC0380RE20173, dated 29.09.2021 by name FORM NO. 10AC, (See rule 17A/11AA/2C), Order for registration, which is now valid from AY 2022-23 up to AY 2026-27. This newly issued registration makes the Society eligible for tax exemption on total income subject to compliance with Specific provisions of the Indian Income tax, 1961.

17. Advance paid against Income Tax Demand

The Society on 7 April 2021 received a demand notice from the Income Tax Department amounting to Rs.19,86,148 for AY 2018-19. The Society has disputed with the demand raised and has appealed to the Income Tax Department on 3 May 2021. Further, based on the advice received from Tax Auditors, the Society has paid a Tax Penalty of Rs 18,94,710 on 10-06-2022 which is disclosed as deposit under protest in balance sheet. Further, the society has created provision for the same during the FY 2022-23 on conservative basis.

The Society has received a favourable order from Commissioner of Income Tax (Appeals) on July 22, 2024. Accordingly, the provision made for the FY 2022-23 is no longer required, has been reversed and disclosed under other income in the Income and Expenditure account.

18. Fees from rendering services

During the year, the Society has received sponsorship fee amounting to Rs.9,90,090 from Google with respect to Community and Content Expansion Program.

19. Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year classification disclosure.

As per our report of even date attached

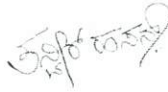
For Brahmayya & Co.,
Chartered Accountants
Firm Registration No. 000515S



G. Srinivas
Partner
Membership No.: 086761

Place: Bengaluru
Date: September 23, 2024

For and on behalf of the Members of
The Centre for Internet & Society



Tanveer Hasan A.K.
Executive Director

Place: Bengaluru
Date: September 23, 2024



Vikram Hegde
Board Member and Nominee

Place: Bengaluru
Date: September 23, 2024

