

AUDITOR'S REPORT TO MEMBERS OF THE GOVERNING COUNCIL

We have audited the attached Balance Sheet of Institute for Stem Cell Biology and Regenerative Medicine, Bangalore as at 31st March, 2012 and also the Income & Expenditure Account of the Institute along with the Receipt and Payment Accounts for the year ended on that date.

These financial statements are the responsibility of Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:

- (1) We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
- (2) The said financial statements are in agreement with the books of accounts maintained by the Institute.



- (3) In our opinion, proper books of accounts have been kept by the Institute so far as it appears from our examinations of the books.
- (4) In our opinion and to the best of our information and according to explanation given to us, the said accounts read together with the Accounting Policies and Notes thereon, give a true and fair view in case of:
- (i) the Balance Sheet, of the state of affairs of the Institute as at 31st March, 2012;
 - (ii) the Income and Expenditure Account, of the excess of expenditure over income for the year ended on that date;
 - (iii) the Receipts and Payments Account, of the details shown therein.

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
FRN 000038N


(V. Rajaraman)
Partner
M.No.02705

Place : New Delhi
Date : 1.2 NOV 2012



INSTITUTE FOR STEMCELL BIOLOGY AND REGENERATIVE MEDICINE
(Registered Under The Karnataka Societies Registration Act, 1960)
GKVK, BELLARY ROAD, BANGALORE - 560 065

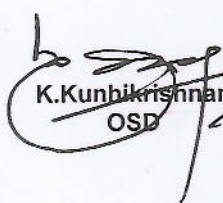
BALANCE SHEET AS ON 31ST MARCH 2012

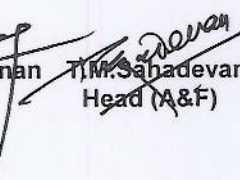
		(Amt in Rs.)	
	SCH	2011-12	2010-11
Liabilities			
Capital Reserves	1	467,394,778	194,384,376
Unutilised Grant / Project Funds :-			
1) Capital Grant	2	136,158,051	156,210,001
2) Revenue Grant	3	-	-
3) Projects	4	28,751,178	5,466,491
Current Liabilities & Provisions	5	19,381,314	4,347,349
Total		651,685,321	360,408,217
Assets			
Fixed Assets	6	467,286,811	194,276,409
Current Assets, Loans & Advances	7	184,398,510	166,131,808
Total		651,685,321	360,408,217


Vide our report of even date

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Reg.No 000038N


V. Rajaraman
Partner
M.No. 02705


K. Kunhikrishnan
OSD


T. M. Sahadevan
Head (A&F)


K. VijayRaghavan
Officiating Director

Place: Bangalore

Date: 12 NOV 2012



INSTITUTE FOR STEMCELL BIOLOGY AND REGENERATIVE MEDICINE
(Registered Under The Karnataka Societies Registration Act, 1960)
GKVK, BELLARY ROAD, BANGALORE - 560 065

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012

	(Amt in Rs.)		
	SCH	2011-12	2010-11
Income			
Grants / Subsidies	8	130,979,300	29,954,336
Receipts towards Projects (To the extent amount spent)	4	22,741,183	2,891,835
Other Income	9	1,549,326	347,885
Total		155,269,809	33,194,056
Expenditure			
Establishment Expenses	10	34,423,376	12,826,022
Operational & Maintenance Expenses	11	125,972,225	66,565,650
Depreciation on Fixed Assets	6	22,316,518	10,166,698
Less: Transferred from Capital Reserve		(22,316,518)	(10,166,698)
Total		160,395,601	79,391,672
Excess of Expenditure over Income	3	(5,125,791)	(46,197,616)
Balance transferred to Unutilised Revenue Grant Account		(5,125,791)	(46,197,616)

vide our report of even date

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Reg.No 000088N

V. Rajaraman
Partner
M.No. 02705

K. Kunhikrishnan
OSD

T.M. Sahadevan
Head (A&F)

K. VijayRaghavan
Officiating Director

Place : Bangalore
Date :

12 NOV 2012



INSTITUTE FOR STEMCELL BIOLOGY AND REGENERATIVE MEDICINE
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RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST MARCH 2012

(Amt in Rs.)

RECEIPTS	2011-12	2010-11	PAYMENTS	2011-12	2010-11
Opening Balance			Expenses		
Bank Balance			a) Establishment Expenses	34,318,038	11,285,841
Balance with Schedule Bank			b) Administrative expenses	83,229,206	79,944,756
In Current Accounts	122,905,124	5,538,663			
In Fixed Deposits	18,000,000	248,200,000	Expenditure on Fixed Assets & Capital Work-in-Progress		
			a) Fixed Assets	5,684,382	28,552,265
Grants Received			b) Capital work in Progress	162,993,174	137,885,281
a) From Government of India					
Capital Grants	131,537,000	95,000,000	Other Payment		
Revenue Grants	120,000,000	28,783,000	House Rent Deposit	2,578,000	240,000
			Advances for Expenses	25,716,158	116,216
Projects Receipts	45,400,195	8,358,326	Reduction in current liabilities	9,755,851	-
CSCR Receipts (Direct from DBT)	10,979,300		Expenditure on Projects	19,858,037	2,453,595
Interest Received			Closing Balances		
On Bank Deposits	1,960,427	6,490,636	Bank Balance		
Other Receipts	43,038	2,260	Balance with Schedule Bank		
Receipts from Debtors and Refund of Advance	27,417,871	9,010,193	in Current Account	134,110,109	122,905,124
			in Fixed Deposits	-	18,000,000
	478,242,955	401,383,078		478,242,955	401,383,078

vide our report of even date

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Reg.No 000038N

V. Rajaraman
Partner
M.No. 02705

Place: Bangalore
Date: 12 NOV 2012



K. Kunhikrishnan
SD

K. M. Saha
Head (A&F)

K. VijayRaghavan
Officiating Director

Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Balance Sheet

(Amt in Rs.)

Schedule 1 - CAPITAL RESERVE

	2011-12	2010-11
Opening Balance	194,384,376	36,930,040
Add:- Capital Grant / Project Fund Utilized transferred from Unutilised Capital Grant / Project Fund	295,326,919*	167,621,034
	489,711,295	204,551,074
Less:- Depreciation on assets acquired out of Grants & Project fund transferred to Income & Expenditure Account	22,316,518	10,166,698
	467,394,778	194,384,376

* includes Rs. 151588950 transfer from unutilised Capital Grant, Rs. 313410 from Project Funds, and Capital Grants given directly to CMC Vellore by Dept. of Biotechnology, Govt. of India and utilised by them for Capital Expenditure

Schedule 2 - UNUTILIZED CAPITAL GRANT

	2011-12	2010-11
Opening Balance	156,210,001	220,717,691
Add:- Grant Received during the year	131,537,000	95,000,000
Interest on Capital grants	-	7,521,600
	287,747,001	323,239,291
Less:- Utilised during the year transferred to Capital Reserve	151,588,950	167,029,290
	136,158,051	156,210,001

Schedule 3 - UNUTILIZED REVENUE GRANT

	2011-12	2010-11
Opening Balance	(11,825,322)	34,372,294
Add:- Transferred from Income & Expenditure Account	(5,125,791)	(46,197,616)
Less:- Deficit in Revenue Grant adjustable against future grants transffered to Loans and Advances	(16,951,113)	(11,825,322)
Total	0	0



Schedule 4 - PROJECT FUNDS

Schedule 4 - PROJECT FUNDS									
Sl No.	Project Title (Name of PI if applicable)	Funding Agency	Opening balance	Received during the year	Expenditure		Total Expenditure	Balance as on 31/03/2012	
					Capital	Revenue			
A From Government									
1	CSIR Fellowship (8101- M.Ruman)	CSIR	(98,000)	91,200	-	322,400	322,400	(329,200)	
2	CSIR Fellowship (8102- A. Saleh)	CSIR	(78,000)	113,675	-	139,043	139,043	(103,368)	
3	CSIR Fellowship (8103- Dhru Bhanal)	CSIR	-	220,927	-	204,533	204,533	16,394	
4	CSIR Fellowship (8105 - Lavanya)	CSIR	-	-	-	61,729	61,729	(61,729)	
5	Indo-Denmark Collaboration on Biotechnology -Muscolo-Skeletal Stem Cells in Tissue Regeneration (8209- Prof. Gene Circuits regulating Stem Cell fate and organogenesis - Ramalingamsamy)	DBT	-	7,402,000	-	3,205,312	3,205,312	4,196,688	
6	Fellowship (8211 - Dr. R. Sambasivan)	DBT	-	1,490,000	-	757,234	757,234	732,766	
7	DBTRA Fellowship (8106- Malini Pillai)	DBTRA	-	371,058	-	63,658	63,658	307,400	
8	Characterization of Guanyl Cyclase in Hydra (8202 - Dr. Yashoda Ghanekar)	DST	311,598	560,000	-	891,229	891,229	(19,631)	
9	Molecular Mechanisms of Sialic Acid Uptake by gram-negative bacteria (8203-Prof. Ramaswamy S.)	DST	1,700,000	-	-	1,373,279	1,373,279	326,721	
10	Structural, computational and protein engineering approaches for the biocatalytic production of chiral synthons using Rieske Oxygenases 8205- Prof. Ramaswamy S.)	DST	2,140,000	-	293,910	2,190,501	2,484,411	(344,411)	
11	ICMR DBT Meeting	ICMR	68,104	-	-	0	0	68,104	
Sub Total: (A)			4,043,702	10,248,860	293,910	9,208,918	9,502,828	4,789,734	
B From other than Government									
12	Wellcome Trust DBT Alliance (8201- Neha)	WT/DBT IA	404,510	2,661,253	-	2,384,341	2,384,341	681,422	
13	The Mechanisms of RNA -Mediated regulations of Stem Cell function in Planarian schmidtea Mediterranea (8204- Dr. Dasaradi Palakodeti)	WT/DBT IA	(20,800)	18,521,801	-	5,737,426	5,737,426	12,763,575	
14	RNAi screen for novel genes regulating self renewal & pluripotency of embryonic stem (ES) Cells (8206- Dr. Chandra Shekar)	WT/DBT IA	1,039,079	3,422,527	-	2,748,300	2,748,300	1,713,306	
15	Understanding the structure and function of rhesus non-heme oxygenases in eukaryotic systems (8207 - Dr. Sathya Srinivasachari)	WT/DBT IA	-	574,923	-	147,840	147,840	427,083	
16	Understanding the epigenetic basis of fibroblast elasticity (8210-Dr. S. Rammalli)	WT/DBT IA	-	10,596,506	19,500	2,200,948	2,220,448	8,376,058	
Sub Total: (B)			1,422,789	35,777,010	19,500	13,218,855	13,238,355	23,961,444	
Grand Total: (A+B)			5,466,491	46,025,870	313,410	22,427,773	22,741,183	28,751,178	

Note-1: Total expenditure is shown as a separate item as Project Fund Expenditure under Other Administrative Expenses (Schedule 11)

Note-2: The Capital expenditure is included both under Capital Reserve and Fixed Assets.



Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Balance Sheet

(Amt in Rs.)

Schedule 5 - CURRENT LIABILITIES AND PROVISIONS

	2011-12	2010-11
A) Current Liabilities		
1. Sundry Creditors		
a) For Goods	55,150	5,423
b) Others	18,811,045	3,865,410
2. Statutory Liabilities	6,680	249,299
3. Deductions for Salary other than Tax	294,932	227,217
4. Security Deposits received	172,138	-
5. Stale Cheques	41,369	-
	19,381,314	4,347,349



Institute for Stem Cell Biology and Regenerative Medicine
Schedules forming part of Balance Sheet

Schedule 6 - FIXED ASSETS

(Amt in Rs.)

DESCRIPTION	GROSS BLOCK				Rate	DEPRECIATION				NET BLOCK		
	As on 01-04-2011	Additions	Deductions	Up to 31-03-2012		As on 01-04-2011	Additions	Up to 31-03-2012	As on 31/03/2012	As on 31/03/2011		
(A) Own Funds												
Laboratory Equipment	53,618,278	78,906,173	-	132,524,451	15%	11,368,895	12,364,646	23,733,541	108,790,910	42,249,383		
Computer Equipment	835,967	1,452,798	-	2,288,765	60%	623,293	633,749	1,257,042	1,031,723	212,674		
Office Equipment	1,244,096	784,615	-	2,028,711	15%	261,542	234,392	495,934	1,532,777	982,554		
Furniture & Fixture	452,580	417,209	-	869,789	10%	82,732	61,708	144,440	725,349	369,848		
Capital / Building under work in progress	149,873,126	165,896,911	96,510,386	219,259,651		-	-	-	219,259,651	149,873,126		
Sub Total (A)	206,024,047	247,457,706	96,510,386	356,971,367		12,336,462	13,294,495	25,630,956	331,340,411	193,687,585		
(B) Project Funds												
Furniture & Fixture	315,984	-	-	315,984	10%	1,472	31,451	32,923	283,061	314,512		
Laboratory Equipment	275,760	313,410	-	589,170	15%	1,448	64,653	66,101	523,069	274,312		
Sub Total (B)	591,744	313,410	-	905,154		2,920	96,104	99,024	806,130	588,824		
(C) CSCR - Vellore												
Buildings	-	93,148,030	-	93,148,030		-	-	-	93,148,030	-		
Laboratory Equipment	-	47,949,070	-	47,949,070	15%	-	7,144,466	7,144,466	40,804,604	-		
Computer Equipment	-	2,969,089	-	2,969,089	60%	-	1,781,453	1,781,453	1,187,636	-		
Sub Total (C)	-	144,066,189	-	144,066,189		-	8,925,919	8,925,919	135,140,270	-		
Grand Total (A+B+C)	206,615,791	391,837,305	96,510,386	501,942,710		12,339,382	22,316,518	34,655,899	467,286,811	194,276,409		
Previous Year	395,819,501	174,161,749	7,132,459	206,615,791		2,172,684	10,166,698	12,339,382	194,276,409	37,413,817		



Capital/Building under work in progress includes Rs. 6,06,00,000/- towards Housing & Hostel Project complex jointly owned with NCBS. Assets of CSCR - CMC Vellore, integrated with insiem effective from 1-7-2011, are taken from the balance sheet as submitted by CSCR - CMC Vellore.

Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Balance Sheet

(Amt in Rs.)

Schedule 7 - CURRENT ASSETS, LOANS, ADVANCES ETC

	As on 31/03/2012	As on 31/03/2011
A. CURRENT ASSETS:		
1. Bank Balances:		
in Current Accounts	134,110,110	122,905,124
in Fixed Deposit Accounts (includes margin money)	-	18,000,000
Sub Total (A)	134,110,110	140,905,124
B. LOANS & ADVANCES		
1. Interest accrued on Deposits	-	2,341,814
2. Advances to staff	558,370	133,290
3. Advances for Expenses	63,000	778,885
4. Advance to Supplier	9,319,889	5,000,000
5. Other Recoverable	19,134,459	2,447,488
6. Tax Deducted at Source on Interest	800,634	869,885
7. Security Deposit	3,408,000	1,830,000
8. Recoverable from Dept. of Biotechnology	17,004,048	11,825,322
Sub Total (B)	50,288,400	25,226,684
Grand Total (A+B)	184,398,510	166,131,808

The amount of Rs. 1,70,04,048.15 recoverable from DBT include Rs. 169,51,113.15 on account of deficit in Revenue Grants (Rs. 133,36,472.15 of inStem and Rs. 36,14,641 of CSCR Vellore) and Rs. 52,935/- on account of specific work undertaken.



Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Balance Sheet

(Amt in Rs.)

Schedule 8 - REVENUE GRANTS

	2011-12	2010-11
1. From Department of Biotechnology - Government of India	120,000,000	28,783,000
Add:- Interest received on the above grants	-	1,171,336
2. Grants received by CSCR - CMC directly from DBT	10,979,300	-
Total	130,979,300	29,954,336

Schedule 9 - OTHER INCOME

	2011-12	2010-11
1. Provision No Longer Required	81,569	345,625
2. Sale of Tender Forms	-	2,260
3. Other Miscellaneous receipts	2,363,128	-
4. Excess income of previous year adjusted	(895,371)	-
Total	1,549,326	347,885



Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Balance Sheet

(Amt in Rs.)

Schedule 10 - ESTABLISHMENT EXPENSES

	2011-12	2010-11
1. Salaries & Wages	32,881,097	12,248,443
2. Honorarium/stipend	54,496	100,468
3. Group Gratuity	-	214,168
4. Group Leave Encashment	402,431	93,028
5. Leave Salary Contribution	201,668	48,024
6. Pension Contribution	669,498	121,891
7. Medical Expenses	214,186	-
	34,423,376	12,826,022

Schedule 11 - OPERATIONAL & MAINTENANCE EXPENSES

	2011-12	2010-11
1. Laboratory Consumables & Expenses	65,979,389	43,352,802
2. Computer Consumables	102,580	42,409
3. Printing & Stationery	77,718	292,511
4. Bank Charges	37,540	66,777
5. Communication Charges	373,873	148,227
6. Meetings & Workshop	9,453,602	5,619,986
7. Advertisement Charges	1,093,685	78,744
8. Consultancy Fees/Seminar Honorarium	77,000	347,571
9. Contingency	1,584,759	1,658,928
10. Repair & Maintenance Charges	10,477,578	4,080,258
11. Rent including Lease Rent	3,123,823	1,843,329
12. Security Charges	-	602,453
13. Audit Fees	66,330	53,605
14. Travel Expenses	7,140,012	5,486,215
15. Project Fund Expenditure:-		
a) Fellowship	5,975,691	1,338,400
b) Travel Expenses	568,996	29,974
c) Assets Purchased	313,410	591,744
d) Laboratory Consumables	13,557,625	910,177
e) Contingency	474,236	21,540
f) Overheads	1,851,225	-
16. Books & Periodicals	1,314	-
17. Conference Support	1,920,000	-
18. Membership Fee	1,721,839	-
	125,972,225	66,565,650



Institute for Stem Cell Biology and Regenerative Medicine

Schedules forming part of Accounts

SCHEDULE 12- ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Preparation of Financial Statements

The Financial Statements have been prepared on historical cost convention basis following the accounting policies as applicable to charitable organizations.

Significant Accounting Policies/Notes

Income from Interest on Bank deposits and expenses are accounted on accrual basis.

Fixed Assets & Depreciation:

- Fixed Assets are valued at Cost less Depreciation. Cost includes all attributable cost in bringing the assets to its working condition for the intended use.
- The depreciation has been charged on Written Down Values basis at the applicable Income Tax rates at
- The cost of the fixed assets acquired out of the utilization of project funds are credited to Capital Reserve by debit to the asset account concerned. Depreciation charged on these assets are met out of an

Notes on Accounts

i Grant

Capital Grant and Revenue Grant mentioned in the accounts represents Non recurring and Recurring Grant received from Department of Biotechnology (Govt of India).

ii Lease Rent

University of Agriculture Science has allotted 20 acres of land on lease. As per the terms of letter, the Institute has to pay a lease amount of Rs. 5Lacs annually and the same has been accounted as Lease Rent.

iii Taxation

The Society is registered under Section 12A of the Income Tax Act, 1956 as a Trust and hence no provision for tax is made since the Society has no taxable income.

iv Receipts from Projects Funds

Out of the amount of Rs.54,66,491/- being the opening balance and Rs. 4,60,25,870/-received during the year against the Projects, a sum of Rs.2,24,27,773/- has been spent both on capital and revenue account and the same amount is recognised as income. The balance unutilised amount has been shown as "Project Funds" under liabilities.

v Recoverable Revenue Grant

The amount of Rs. 1,70,04,048.15 recoverable from DBT include Rs. 169,51,113.15 on account of deficit in Revenue Grants (Rs. 133,36,472.15 of inStem and Rs. 36,14,641 of CSCR Vellore) and Rs. 52,935/- on account of specific work undertaken.



vi Employee Benefits
Leave Encashment

This is covered under a scheme framed under leave encashment policy with life Insurance Corporation of India. Based on the demand received from the said LIC, the payment has been made. Since the eligible employees are covered under the New Pension Scheme administered by PFRDA, they are not eligible for the payment of gratuity and hence the policy taken earlier is discontinued.

vii Integration of CSCR, Vellore with inStem

The accounts for the period 1st July 2011 to 31st March 2012 relating to CSCR- inStem have been incorporated based on audited statements certified by another Chartered Accountant. However, the amount involved in the 'Building' and the corresponding amount included in the Capital Reserve are not certified by the above Chartered Accountants.

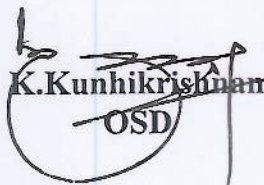
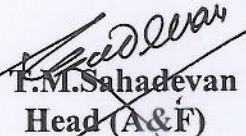
viii Previous year have been regrouped wherever necessary.

vide our report of even date

For Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Reg.No 000038N



V. Rajaraman
Partner
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Place: Bangalore
Date

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