S M A M & Co

Chartered Accountants

Data Security Council of India
3^{rd}, Floor, NASSCOM Campus,
Plot No-7-10, Sector-126,
Noida-201303, Uttar Pradesh

Independent Auditor's Statement to Certificate dated December 13 2022, pursuant to the requirements of Rule 17(5) of the Foreign Contribution (Regulation) Rules, 2011 (as amended) on the foreign contributions received for the year ended on March 31 2022.

1. We have been requested by Data Security Council of India (the 'Company') having its corporate office at the above mentioned address, Darpan ID.: DL/2018/0187853 and Registration no. under the FCRA 231661286, to certify the transactions and the balances of foreign contribution received by the Company, maintenance of records relating to Foreign Contribution (Regulation) Act, 2010 ('Act') read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules') for the purpose of onward submission to the Secretary, the Government of India, Ministry of Home Affairs, New Delhi. Accordingly, this certificate is issued in accordance with the terms of our engagement letter dated July 26 2022.

2. We have audited the accompanying special purpose financial statements of the Company which comprise the Balance Sheet as at 31 March 2022, the Income and Expenditure Statement and Receipts and Payment Account for the year ended 31 March 2022, and significant accounting policies and notes to the financial statements (hereinafter together referred to as 'Foreign Contribution Financial Statements') with respect to Foreign Contribution and accompanying Annexure A in accordance with the basis of accounting to the Foreign Contribution Financial Statements, prepared by the management of the Company pursuant to the requirement of section 19 of the Foreign Contribution (Regulation) Act 2010 ('Act') read with rule 17 of the Foreign Contribution (Regulation) Rules, 2011 (as amended) ('Rules'). The accompanying Annexure have been initialed by us for identification purpose only.

Management's Responsibility for the Foreign Contribution Financial Statements and Annexure

3. The Management is responsible for preparation and presentation of the Foreign Contribution Financial Statements and Annexure in accordance with the basis of accounting including preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Foreign Contribution Financial Statements and Annexure and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

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4. The Management is also responsible for ensuring that the Company complies with the requirements of the Act read with relevant Rules and providing all required information to the Ministry of Home Affairs.

Auditor's Responsibility

5. Pursuant to the requirement as stated in paragraph 2 above, it is our responsibility to provide a reasonable assurance in form of an opinion on these Foreign Contribution Financial Statements and Annexure based on our audit. Our audit of these Foreign Contribution Financial Statements was conducted in accordance financial statements in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Foreign Contribution Financial Statements and Annexure are free from material misstatement due to fraud or error.

6. We have examined the following documents furnished by the Company;

    a) Foreign Contribution Financial statements comprising Balance Sheet as at March 31 2022, the Income and Expenditure Account and the Receipts and Payments Account for the year then ended and a summary of significant accounting policies and other explanatory information.

    b) Books and records relating to Foreign Contributions received and utilized;

    c) Copy of Bank statement of FCRA accounts designated for receiving foreign contribution ("the Designated Account") held by the Company and utilization accounts,

    d) Extract of relevant ledger Accounts and supporting vouchers

    e) Copy of permission obtained under the Foreign Contribution (Regulation) Act, 2010 and

    f) Written representation by the management.

    7. We conducted our examination in accordance with the Guidance Note on Reports Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control of Firms that Performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagement Issued by the ICAI.

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Restriction on distribution or use

9. The Certificate is issued solely in the context of the Company's obligation to comply with the requirements of Rule 17(5) of the Rules, which requires them to submit Form FC-4 for the year ended March 31, 2022 to the Secretary, Government of India, Ministry of Home Affairs, New Delhi. This certificate should not be used by any other person or for any other purpose to whom this certificate is shown or into whose hands it may come without our prior written consent. S M A M & Co shall not be liable to the Company, Directors, Ministry of Home Affairs or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fee relating to this assignment.

For and on behalf of:
S M A M & Co
Chartered Accountants
Firm's registration No. 028845C

S M A M & CO. Chartered Accountants

Hemant Mishra
Partner
M. No: 508008
UDIN: 22508008BFRAHD6064

Place: Noida
Date: 13-12-2022

S M A M & Co

Chartered Accountants

Data Security Council of India
3rd, Floor, NASSCOM Campus,
Plot No-7-10, Sector-126,
Noida-201303, Uttar Pradesh

1. We have audited the attached Balance Sheet as at March 31, 2022, statement of Income and Expenditure and statement of Receipts and Payments for the year ended on that date and a summary of significant accounting policies and other explanatory information annexed thereto of Data Security Council of India ("the Company") having FCRA Registration No. 231661286, Darpan ID.: DL/2018/0187853, PAN: AACCD9781G, in so far as those pertains to "Foreign Contribution Regulation Account (FCRA), Accounts prepared by the Company with the books and records of the Company as produced to us for our examination. Preparation of financial statements in accordance with Foreign Contribution (Regulation) Act, 2010 ('the Act') read with the rules, is the responsibility of the Company. Our responsibility is to verify these financial statements in accordance with the said Act.

2. Our examination was carried out in accordance with the auditing standards, generally accepted in India and the Guidance note on Reports or Certificates for Special purposes issued by the Institute of Chartered Accountants of India (ICAI).

3. Based on our examination as mentioned in paragraph 2 above and as per the information and explanation given to us, we certify that;

    i. The brought forward foreign contribution balance at the beginning of the financial year as on April 1, 2021 was **Rs. 59,86,741.**

    ii. Foreign contribution worth **Rs. 99,21,325** was received by the Company during the financial year 2021-2022.

    iii. Interest accrued on foreign contribution amounting to **Rs. 2,76,749** was received by the Company during the financial year 2021-22.

    iv. The balance of unutilized foreign contribution with the Company at the end of the financial year March 31, 2022 was **Rs. 88,16,535**.

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

    vi. The information in this certificate and in the enclosed Balance Sheet and statement of Receipt and Payment and Income and Expenditure Account is correct to the best of our knowledge and belief.

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

This certificate has been issued at the request of the Company to whom it is addressed solely in the context of its obligation to submit Form FC-4 for the year ended March 31, 2022 to the Ministry of Home Affairs of

S M A M & CO. ★ Chartered Accountants ★

Ground Floor, A-130, A Block, Sector 63, Noida
Uttar Pradesh- 201301
PAN: AECFS9549G
GSTIN: 09AECFS9549G1ZI

India and should not be used by any other person or for any other purpose, without obtaining our prior written permission.

To be read along with our other statement of even date.

For and on behalf of:
S M A M & Co
Chartered Accountants
Firm's registration No. 028845C

S M A M & CO. ★ Chartered Accountants ★

Hemant Mishra
Partner
M. No: 508008
UDIN: 22508008BFRAHD6064

Place: Noida
Date: 13-12-2022

Data Security Council of India
Balance Sheet as at March 31, 2022 - Foreign Contribution
(All amounts in rupees, unless otherwise stated)

PARTICULARS	Note	As at March 31, 2022	As at March 31, 2021
SOURCES OF FUNDS			
Project Fund	3	88,05,355	56,55,546
TOTAL		**88,05,355**	**56,55,546**
APPLICATION OF FUNDS			
Current Assets, Loans and Advances			
Loans and Advances	4	1,953	25,084
Cash and Bank Balances	5	88,16,535	59,86,741
		88,18,488	**60,11,825**
Less: Current Liabilities and Provisions			
Current Liabilities	6	13,133	3,56,279
		13,133	**3,56,279**
Net Current Assets		**88,05,355**	**56,55,546**
TOTAL		**88,05,355**	**56,55,546**

Summary of significant acounting policies 2

The accompanying notes form an integral part of these financial statements
This is the balance sheet referred to in our report of even date

For S M A M & Co
Chartered Accountants
Firm's registration No:028845C

Hemant Mishra
Partner
Membership No. 508008
UDIN: 22508008BFRAHD6064

Place: Noida
Date: 13-12-2022

For Data Security Council of India

Authorised Signatory

for DATA SECURITY COUNCIL OF INDIA

Authorised Signatory

Data Security Council of India
Income and Expenditure Account for the year April 01, 2021 to March 31, 2022 - Foreign Contribution
(All amounts in rupees, unless otherwise stated)

Particulars	Note	From April 01, 2021 to March 31, 2022	From April 01, 2020 to March 31, 2021
INCOME			
Project Grant	8	70,48,265	8,75,984
Interest Income	9	2,76,749	2,07,054
		73,25,014	**10,83,038**
EXPENDITURE			
Programme Expenses	10	65,20,286	5,43,497
Administrative Expenses	11	5,27,979	3,32,444
		70,48,265	**8,75,941**
Excess of income over expenditure for the year		**2,76,749**	**2,07,097**
Excess of income over expenditure for the year transferred to Project fund		**(2,76,749)**	**(2,07,097)**
Summary of significant acounting policies	2		

The accompanying notes form an integral part of these financial statements
This is the Income and Expenditure referred to in our report of even date

For S M A M & Co
Chartered Accountants
Firm's registration No:028845C

S M A M & CO. ★ Chartered Accountants

Hemant Mishra
Partner
Membership No. 508008
UDIN: 22508008BFRAHD6064

Place: Noida
Date: 13-12-2022

DATA SECURITY COUNCIL OF INDIA ★ NOIDA ★ DSCI

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for DATA SECURITY COUNCIL OF INDIA

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Data Security Council of India

Receipts and Payments account for the year April 01, 2021 to March 31, 2022 - Foreign Contribution

(All amounts in Indian Rupees unless otherwise stated)

2020-21	Receipts	2021-22	2020-21	Payments	2021-22
2,97,652	**Opening Balance b/f**	59,86,741	5,43,497	**Information and Data Security /Privacy Projects**	
				- Sectoral Privacy Guide Project	60,71,689
	Project Grant			- Solidarity Grant	4,10,380
62,52,292	- Sectoral Privacy Guide Project	62,85,325			
	- Solidarity Grant	36,36,000	2,01,676	Administrative Expenses	5,27,979
2,07,054	Interest Income	2,75,496			
			-	Loan and advances	700
			25,084	Liabilities paid	3,56,279
				Closing Balance c/f	
			59,86,741	Cash at Bank	88,16,535
67,56,998	**Total**	**1,61,83,562**	**67,56,998**	**Total**	**1,61,83,562**

Summary of significant acounting policies 2

The accompanying notes form an integral part of these financial statements
This is the Receipts and Payments referred to in our report of even date

For S M A M & Co
Chartered Accountants
Firm's registration No:028845C

S M A M & CO. ★ Chartered Accountants ★

Hemant Mishra
Partner
Membership No. 508008
Place: Noida
Date: 13-12-2022
UDIN: 22508008BFRAHD6064

DATA SECURITY COUNCIL OF INDIA ★ NOIDA ★ DSCI

For Data Security Council of India

Authorised Signatory

for DATA SECURITY COUNCIL OF INDIA

Authorised Signatory

Notes to accounts to extracted financial statements – foreign payments

1. Nature of operations and Corporate information

a) Data Security Council of India ('the Company') was established on August 22, 2008 under the provisions of Section 25 of the erstwhile Companies Act, 1956 (replaced with Section 8 of the Companies Act, 2013 ('the Act'), with effect from April, 2014). The Company is limited by way of guarantee and was promoted by National Association of Software and Services Companies (NASSCOM). The Company is engaged in promoting, encouraging, supporting data protection and information security, maintenance of data privacy in India, carrying out research, dissemination of information, setting up standards for the members and providing education, training, conducting meetings, seminars, workshops, conferences, interacting with government or non-government bodies, agencies, companies or any other person.

b) The Company is a not-for-profit company incorporated and domiciled in India, with its registered office situated at Plot no. 62, Pocket-2, Jasola, New Delhi 110 025.

2. Statement of significant accounting policies

a) Basis of Accounting

The extracted accounts of the Company are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

b) Use of estimates

The preparation of extracted financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Grants

Grants and subsidies from government/ other bodies are recognized when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to as asset, its value is deducted in arriving at the carrying amount of the related asset.

Grant funds subject to conditions set out by the contributor and agreed to by Company when accepting the contribution are designated and disclosed as restricted grants under sources of funds in the balance sheet.

d) Revenue recognition

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

Revenue from unrestricted grants is recognized based on collections from various grantors / donors.

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Revenue from restricted / specific donations are recognized over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Any amount not utilized is classified as Liabilities.

As per out report of even date

For **S M A M & CO**
Chartered Accountants
Firm's registration No: 028845C

Hemant Mishra
Partner
Membership No.508008
UDIN: 22508008BFRAHD6064
Place: Noida
Date: 13-12-2022

DATA SECURITY COUNCIL OF INDIA
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S M A M & CO. Chartered Accountants

For **Data Security Council India**

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for DATA SECURITY COUNCIL OF INDIA
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Data Security Council of India
Schedule forming part of Financial Statements- Foreign Contribution

Amount in INR

Note-3 : Project Fund			March 31, 2022	As at March 31, 2021
Surplus of I& E account				
Opening Balance			2,79,238	72,141
Add: Balance transferred from Income & Expenditure Account			2,76,749	2,07,097
			5,55,987	**2,79,238**
Unspent grants	**Sectoral Privacy Guide Project**	**Solidarity Grant**		
Opening balance of Unspent Grant	53,76,308	-	53,76,308	-
Add : Unspent grant received during the year	62,85,325	36,36,000	99,21,325	62,52,292
	1,16,61,633	36,36,000	1,52,97,633	62,52,292
Less : Amount transferred to I& E account	66,34,651	4,13,614	70,48,265	8,75,984
	50,26,982	**32,22,386**	**82,49,368**	**53,76,308**
Total Project Fund			**88,05,355**	**56,55,546**

Note-4 : Loans & Advances	March 31, 2022	As at March 31, 2021
Pre- paid Expenses	-	25,084
TDS on Interest	1,253	-
TDS Recoverable (Facebook)	700	-
	1,953	**25,084**

Note-5 : Cash & Bank balances	March 31, 2022	As at March 31, 2021
Cash at Bank	88,16,535	59,86,741
	88,16,535	**59,86,741**

Note-6 : Current Liabilities	March 31, 2022	As at March 31, 2021
Other Payable	-	3,56,279
PF Payable	4,800	-
TDS Payable	8,333	-
	13,133	**3,56,279**

for DATA SECURITY COUNCIL OF INDIA

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Data Security Council of India
Scheule forming part of Financial Statements- Foreign Contribution

Note-7 : Project Grants	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Omidyar Network - Sectoral Privacy Guide Project	66,34,651	62,52,292
Omidyar Network - Solidarity Grant	4,13,614	-
	70,48,265	**62,52,292**

Note-8 : Interest Income	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Interest on Saving Bank Account	2,64,227	1,94,713
Interest on Fixed deposit	12,522	12,341
	2,76,749	**2,07,054**

Note-9: Programme Expenses (Information and Data Security/ Privacy)	**For the year ended March 31, 2022**	**For the year ended March 31, 2022**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
	Sectoral Privacy Guide	**Solidarity Grant**		
Salary to Analyst	9,03,852	3,74,542	12,78,394	4,25,381
Workshop and Training	48,436	-	48,436	1,43,200
Digital Content Development	13,24,384	-	13,24,384	-
Privacy Guide Content	7,67,997	-	7,67,997	-
Privacy Guide Designing Expenses	7,39,200	-	7,39,200	
Privacy Challenge Activity Expenses	17,60,444	-	17,60,444	
Website Development	5,65,593	-	5,65,593	-
Fees & Subscription	-	35,838	35,838	-
	61,09,906	**4,10,380**	**65,20,286**	**5,68,581**

Note- 10: Administrative Expenses (Information and Data Security/ Privacy)			**For the year ended March 31, 2021**	**For the year ended March 31, 2021**
	Handbook on Data Privacy	**Data Security**		
Staff Salaries and Benefits	5,21,626	-	5,21,626	3,19,769
Bank Charges	3,121	3,234	6,355	12,675
Short and Excess	(2)	-	(2)	-
Total	**5,24,745**	**3,234**	**5,27,979**	**3,32,444**

Note-11 : Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

for DATA SECURITY COUNCIL OF INDIA

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