

## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Forum for Health Systems Design and Transformation Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Forum for Health Systems Design and Transformation ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Income and Expenditure, the Cash Flow Statement for the year then ended, and 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its income is in line with expense, its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.
- 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our 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.
- When we read the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation 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 Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 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



## **Deloitte Haskins & Sells LLP**

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 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 company's Internal Control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made 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 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, based on our audit we report, to the extent applicable 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 account as required by law have been kept by the Company so far as it appears from our examination of those books except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India.
- c) The Balance Sheet, the income and expenditure statement the Cash Flow Statement 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.
- e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) Reporting on the adequacy of Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated 13 June 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017
- h) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 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 it's knowledge and belief, as disclosed in the note 23 to the financial statements, 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 person(s) or entity(ies), including foreign entities.  
  
(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 23 to financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.





- (c) Based on the audit procedures performed that have been 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. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. Aprils 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, the reporting under the section is not applicable as the company is a section 8 company which is exempt, as specified in paragraph 1(2)(iii) of the Order.

For Deloitte Haskins and Sells LLP,  
Chartered Accountants  
(Firm's Registration No 117366W/W-100018.)



(Joe Pretto)  
(Partner)  
(Membership No. 77491)

Mumbai,  
August 24<sup>th</sup>, 2023.

(UDIN:23077491BGXCXL7128)

## DIRECTORS' REPORT

To,

The Members

FORUM FOR HEALTH SYSTEMS DESIGN AND TRANSFORMATION

Mumbai

The Directors have pleasure in presenting the Fourth Annual Report of FORUM FOR HEALTH SYSTEMS DESIGN AND TRANSFORMATION ("the Company") on the operations of the Company for the Financial Year 2022-23 together with the audited Financial Statements along with the Report of the Auditors thereon for the period ended on 31st March, 2023.

### 1. FINANCIAL RESULTS:

| Financial Result                  | 31 <sup>st</sup> March 2023 (Rs. in '000) | 31 <sup>st</sup> March 2022 (Rs. in '000) |
|-----------------------------------|---|---|
| Total Income                      | 54,153                                    | 53,372                                    |
| Less: Total Expenditure           | 54,153                                    | 53,372                                    |
| Excess of Income over Expenditure | NIL                                       | NIL                                       |

### 2. OPERATIONS:

The Forum for Health Systems Design and Transformation's projects shall mostly focus on building program partnerships with the Government of India and various State Governments, Agencies and Departments that address the issue of strengthening health systems, designing innovative solutions, and undertaking implementation of projects mutually agreed with the program partners. All the work will be carried out under the banner of Health Systems Transformation Platform (HSTP) in partnership with Tata Trusts and Access Health International (AHI), sharing resources, like experts and state level local partners to be able to achieve objectives of HSTP.

## Forum for Health Systems Design and Transformation

Operations Office: C1 Block, ISID, 4, Institutional Area Ph II, Vasant Kunj, New Delhi 110070- Ph.:011-6132 6500

Registered Office: C/o Sir Ratan Tata Trust, 3/A, Plot 51, Jehangir Wadia Building, MG Road, Homi Modi X Road, Hutatma Chowk, Mumbai 400 001

CIN No.: U74999MH2018NPL309807, E-mail: [hstp@hstp.org.in](mailto:hstp@hstp.org.in), Website: [www.hstp.org.in](http://www.hstp.org.in)



During the year, HSTP focused on the following activities:

**1. Odisha Health Systems Strengthening:** This year HSTP continued to provide technical support to the Government of Odisha. The focus areas were:

- a. Improving competencies of public healthcare providers working in primary healthcare settings
  - b. Strengthening access to medicines at public health facilities
  - c. Physician Leadership Development Programme
  - d. Support to BSKY Programme
- a. **Assessing and Improving Competencies of Physicians and Pharmacists:** The intervention aims to improve the competencies of Pharmacists, and medical laboratory technologists in primary care settings, later to be expanded to the community health Officers, staff nurses, and medical officers. HSTP has developed the competency framework for pharmacists and MLTs and has completed the assessment of the two cadres in Odisha. Based on that, HSTP has developed competency-based training packages.
- b. HSTP worked in close coordination with the Odisha State Medical Corporation Limited (OSMCL) to understand the supply chain management systems for medicines in the state and to understand the reasons for non availability of drugs in public health facilities. The study report was submitted to the state in July 2023. Subsequent interventions by the Department of Health and Family Welfare, Government of Odisha, and the OSMCL are expected to reduce the out-of-pocket expenditure on medicines for those accessing care from public health facilities in the state.
- c. **Leadership Development Program for Officials in the State Health Department:** HSTP, in collaboration with Athulya CIP, has designed a leadership program that involves individual and collective coaching for health department officials to achieve performance targets. The participants (28 district wing officers/ medical officers) completed their training on 31 st January 2023. The second cohort and Coaches training from the state is planned for September 2023 .
- d. We are also engaged in providing technical assistance to the State Health Assurance Society for implementation of Biju Swasthya Kalyan Yojana (BSKY), the universal health coverage program in Odisha State. Our healthcare financing experts support the BSKY scheme policy and implementation diligently working with the scheme Chief Executive Officer and the implementation team.

## **2. Health Systems Strengthening in Meghalaya**

HSTP entered into a Memorandum of Understanding (MoU) (2023-2026) with the Department of Health and Family (DoHFW), Government of Meghalaya to strengthen the health systems in the state. Our technical support areas in the state include health financing and planning, health insurance, policies on human resources for health, health informatics, and digital health. This entails conducting relevant research to support decision-making for policy and program implementation, building capacities, designing and validating interventions.

## **3. Strengthening Urban Health Systems**

This year we completed the formative research for comprehensive primary health care in Mysuru city in collaboration with Karnataka Health Promotion Trust & St. John's Research Institute. Research findings will

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help to identify potential interventions in consultation with local stakeholders to provide comprehensive primary healthcare in an urban setting. The Healthy Cities project which seek to identify the pathways through which social and environmental determinants influence urban health is currently ongoing.

#### **4. Health Systems Governance**

The following activities were completed during the year.

**Organisation and delivery of home healthcare:** An exploratory qualitative study on home healthcare, entitled “Home Healthcare: Emerging Phenomenon in India” was completed during the year. The report of the study was released and the key findings shared during a webinar held on 15 March 2023. The findings of the study and the discussion during the webinar will feed into HSTP’s future work on the issue.

**Policy dialogue with former bureaucrats:** HSTP organised a two-day policy dialogue on 10-11 November 2022 in New Delhi. The policy dialogue brought together ten former health secretaries and other stakeholders, including the government and associated institutions, the private sector, practitioners, researchers, and partners to reflect on India’s health system. The policy dialogue facilitated sharing of insights based on the rich and varied experience of former policymakers; provided a platform to current policymakers, researchers, health managers, academicians, and public health practitioners to engage with former policymakers; generated alternate and novel ideas to strengthen the health system of the country; and identified areas for future health systems research and practice.

Two videos of “Dialogue with Policy Makers” were developed and uploaded on HSTP’s website. In one video Mr. J. V. R. Prasada Rao, Secretary, Health and Family Welfare, Government of India (2002 to 2004) and Director, NACO (1997 to 2002) narrates his experience as a policy maker and what factors contributed to the successful implementation of the National AIDS Control Programme. The video is available at <https://www.youtube.com/watch?v=Hoy13fO51A4>. In another video, Ms. Rita Teatia, Chairperson, Food Safety and Standards Authority of India, FSSAI (2018-2021) talks about the several transformational changes that took place in FSSAI during her tenure. The videos may be used as policy case studies in academic courses and training programmes.

A webinar was organised on 29 September 2022, titled ‘Cries that have no Tears: Understanding Elderly Patients’ Rights in India’. The panelists shared their views and experiences on elderly patients’ rights concerning health care (patient autonomy, right to privacy, right to informed consent) and avenues for their redressal.

A conference was organised on “The Role of Decentralisation of Health in India” at New Delhi on 27 and 28 February 2023. Reports of two studies on decentralisation and health: one by Health Action by People (HAP), Thiruvananthapuram and Health Systems Transformation Platform (HSTP) and the other by Janaagraha, Bengaluru, were released at the conference.

HSTP commenced the programme for the first batch of the **HSTP – Health Journalism Fellowship 2022** of six-month duration October 2022. From the first batch, four young journalists published 12 media articles covering public health concerns of the particularly vulnerable tribal groups, survivors of acid attacks, sex workers and the transgender community, and the teaching and practice of Ayurveda.

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**5. India Health Policy and Systems Research (HPSR) Fellowship program:** HSTP has developed and coordinates this training program, to build research capacity of mid career researchers in HPSR, In partnership with several international and Indian Institutions. Training is provided to 20 public health professionals every year in HPSR methods through online and face to face training for 6 months. HSTP also facilitates research funding to each fellow for 12 months to conduct a health policy and systems research study with guidance of an expert mentor. Further Details @ <https://indiahpsrfellowships.org/>

## 6. Publications

1. Dr Sudheer Kumar Shukla (2023) co-authored an article entitled 'Estimating funds required for UHC within Indian States' published in The Lancet Regional Health-Southeast Asia.  
DOI: <https://doi.org/10.1016/j.lansea.2023.100165>
2. Dr Sudheer Kumar Shukla (2023) co-authored a chapter-article entitled 'Multiple Chronic Conditions as Predictors of Inequality in Access to and Use of Health Services Among the Elderly in India' in Handbook of Aging, Health, and Public Policy: Perspectives from Asia (pp. 1-29). Singapore: Springer Nature Singapore.  
DOI: [https://doi.org/10.1007/978-981-16-1914-4\\_23-1](https://doi.org/10.1007/978-981-16-1914-4_23-1)
3. Dr Pratheeba John and Sakshi Khemani co-authored a working paper entitled 'Best Practices in Procurement and Supply Chain Management Systems for Medicines', HSTP 2023/HFP 01.
4. Pallavi Gupta and Sonali Randhawa. Home Healthcare: Emerging Phenomenon in India. Health Systems Transformation Platform, New Delhi. 2023. [https://www.hstp.org.in/wp-content/uploads/2023/03/Home-Healthcare-Emerging-Phenomenon-in-India\\_HSTP\\_15-March-2023.pdf](https://www.hstp.org.in/wp-content/uploads/2023/03/Home-Healthcare-Emerging-Phenomenon-in-India_HSTP_15-March-2023.pdf)
5. Sonali Randhawa and Sunil Nandraj. Ambulance Services in India -Are the Sirens Loud Enough! Indian Journal of Preventive and Social Medicine, Vol. 53 (4). 2022.  
<http://ijpsm.co.in/index.php/ijpsm/article/view/536/341>
6. Rajeev Sadanandan (Co-Author): "Local government stewardship for TB elimination in Kerala, India", Public Health Action, Volume 13, Supplement 1, 1 March 2023, pp. 44-50(7),  
<https://doi.org/10.5588/pha.22.0037>.
7. Rajeev Sadanandan (Co-Author): "Decentralisation, health and Sustainable Development Goal 3", Public Health Action, Volume 13, Supplement 1, 1 March 2023, pp. 51-56(6),  
<https://doi.org/10.5588/pha.22.0034>
8. Rajeev Sadanandan (Co-Author): "Re-engineering primary healthcare in Kerala", Public Health Action, Volume 13, Supplement 1, 1 March 2023, pp. 19-25(7), <https://doi.org/10.5588/pha.22.0034>
9. Rajeev Sadanandan (Co-Author): "The burden of dengue and force of infection among children in Kerala, India; seroprevalence estimates from Government of Kerala -WHO Dengue Study",  
<http://dx.doi.org/10.2139/ssrn.4325236>
10. Rajeev Sadanandan (Co-Author): "The Lancet Global Health Commission on financing primary health care: putting people at the centre", Lancet Glob Health 2022; 10: e715–72, [https://doi.org/10.1016/S2214-109X\(22\)00005-5](https://doi.org/10.1016/S2214-109X(22)00005-5), (Co-author).

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11. Rajeev Sadanandan : "Managing the next pandemic: Lessons for policy makers from COVID-19". Indian J Public Health 2022;66:77-9.
12. The study report on health care: [https://www.hstp.org.in/wp-content/uploads/2023/03/Home-Healthcare-Emerging-Phenomenon-in-India\\_HSTP\\_15-March-2023.pdf](https://www.hstp.org.in/wp-content/uploads/2023/03/Home-Healthcare-Emerging-Phenomenon-in-India_HSTP_15-March-2023.pdf)
13. The report of the Policy Dialogue of former bureaucrats: <https://www.hstp.org.in/wp-content/uploads/2023/01/HSTP-Indias-Health-System-Reflections-A-Policy-Dialogue.pdf>
14. The report of the webinar on elderly care. <https://www.hstp.org.in/wp-content/uploads/2022/10/HSTP-Webinar-Report-Cries-That-Have-No-Tears-Understanding-Elderly-Patients-Rights-29-Sep-2022.pdf>

### 3. MEETINGS OF BOARD OF DIRECTORS: - Board Meetings held during the Year:

| Sr. No. | Dates on which the Board Meetings were held | Total Strength of the Board | No of Directors Present |
|---------|---|-----------------------------|-------------------------|
| 1       | September 21, 2022                          | 2                           | 2                       |
| 3       | February 10, 2023                           | 2                           | 2                       |

### ATTENDANCE OF THE DIRECTORS:-

| Name of the Director           | Attendance at the Board Meetings held on |           | General Meetings               |                        |
|--------------------------------|--|-----------|--------------------------------|------------------------|
|                                |  |           | Extra-Ordinary General Meeting | Annual General Meeting |
|                                | 21.9.2022                                | 10.2.2023 | N.A.                           | 21.9.2022              |
| Mr. Burzis Shapur Taraporevala | ✓  | ✓         | N.A.                           | ✓                      |
| Dr. Sathya Dharma Sreenivas    | ✓  | ✓         | N.A.                           | ✓                      |

### 4. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

No Directors or Key Personnel appointment or resignation happened during the year.

### 5. DETAILS OF FRAUD REPORT BY AUDITORS:

No fraud has been reported by the Auditors under Section 143(12).

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**6. AUDITORS AND SCRETERIAL PEROSNNEL:**

M/s. Deloitte Haskins & Sells LLP Chartered Accountants, Mumbai (Firm Registration No. 117366W/W-1000018) were appointed as the First Statutory Auditors of the Company at the First Board Meeting held on 11<sup>th</sup> June 2018 and to hold office till the conclusion of 6th Annual General Meeting.

The approval of the members is being sought for appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Statutory Auditors of the Company for 5 (Five) financial years commencing from the financial year 2019-20 till the conclusion of AGM to be held in the year 2024 for the financial year 2023-24.

M/ s. Deloitte Haskins & Sells LLP Chartered Accountants have furnished a certificate of their eligibility and given their consent under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

**7. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

There were no related party transactions entered into during the period ended 31<sup>st</sup> March 2023.

**8. DEPOSITS:**

The Company has not accepted any deposits pursuant to the provisions of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 during the period ended 31<sup>st</sup> March, 2023.

**9. PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Company has not made any Loans, Investments or given guarantees and security pursuant to Section 186 of the Companies Act, 2013 during the year under review.

**10. TRANSFER TO RESERVE:**

No amount was transferred to the Reserves during the period ended 31<sup>st</sup> March 2023.

**11. DIVIDEND:**

No Dividend was declared.

**12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT:**

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

**13. SHARE CAPITAL:**

The Company is limited by guarantee and does not have a share capital.

**14. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING:**

**A. Conservation of Energy, Technology Absorption:**

There are no particulars to furnish under the provisions of Section 134(3) (m) of the Companies Act, 2013, in respect of conservation of energy and technology absorption.

**B. Foreign Exchange earnings and Outgo**

Earnings – Nil / Outgo - Nil

**15. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company would formulate a Risk Management policy in due course to identify the key risk areas and formulate mitigation plans which would be reviewed periodically.

**16. PARTICULARS OF EMPLOYEES:**

Below List of employees employed for the full year or part of the year, covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

| Name              | Designation | Date of Joining | Salary Paid       |
|-------------------|-------------|-----------------|-------------------|
| SRIDHAR GUDUTHUR  | CFO         | 01-04-2020      | Rs. 58,30,000.00  |
| RAJEEV SADANANDAN | CEO         | 12-08-2019      | Rs.1,18,71,996.00 |

**17. EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return in Form MGT-9 is attached as **Annexure A**.

**18. CORPORATE SOCIAL RESPONSIBILITY JCSR):**

The provisions of Section 135(1) of the Companies Act, 2013 are not applicable to the Company.

**Forum for Health Systems Design and Transformation**

**Operations Office:** C1 Block, ISID, 4, Institutional Area Ph II, Vasant Kunj, New Delhi 110070- Ph.:011-6132 6500

**Registered Office:** C/o Sir Ratan Tata Trust, 3/A, Plot 51, Jehangir Wadia Building, MG Road, Homi Modi X Road, Hutatma Chowk, Mumbai 400 001

CIN No.: U74999MH2018NPL309807, E-mail: [hstp@hstp.org.in](mailto:hstp@hstp.org.in), Website: [www.hstp.org.in](http://www.hstp.org.in)



**19. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

**20. INTERNAL FINANCIAL CONTROL:**

The Company has an adequate internal financial control system, commensurate with the current size of its business operations.

**21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No significant and material or other order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

**22. THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The company has proposed to follow the Act as per rule.

**23. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016.

**24. DETAILS OF DIFFERENCE BETWEEN 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:**

The Company has not taken a loan. As a result, issue of valuation at the time of one-time settlement is not applicable.

**25. CONSOLIDATED FINANCIAL STATEMENTS:**

The Company does not have any subsidiaries so there is no requirement to prepare a consolidated financial statement for the year ended on 31st March 2023.

**26. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the period commencing from the April 1, 2022, to March 31, 2023, the applicable accounting standards read with requirements

**Forum for Health Systems Design and Transformation**

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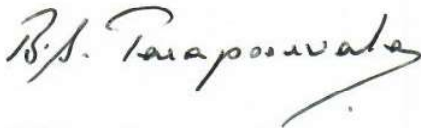
set out under Schedule III to the Act, have been followed and there are no material departures from the same.

- b) The Directors have selected such accounting policies and applied them 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 Company as at March 31, 2023.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**27. ACKNOWLEDGEMENTS:**

The Board wishes to place on record its appreciation for the support and assistance received from all those with whom the Company has had dealings.

**For and on behalf of the Board**



**Burzis Shapur Taraporevala**

**Director**

**(DIN-02005934)**



**Sathya Dharma Sreenivas Hundi**

**Director**

**(DIN- 07744053)**

**Place: Mumbai**

**Date: August 24, 2023**

**Forum for Health Systems Design and Transformation**

**Operations Office:** C1 Block, ISID, 4, Institutional Area Ph II, Vasant Kunj, New Delhi 110070- Ph.:011-6132 6500

**Registered Office:** C/o Sir Ratan Tata Trust, 3/A, Plot 51, Jehangir Wadia Building, MG Road, Homi Modi X Road, Hutatma Chowk, Mumbai 400 001

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**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Balance Sheet as at 31st March, 2023**

| Rs in ('000)   |          |                         |                         |
|--|----------|-------------------------|-------------------------|
| Particulars  | Note No. | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
| <b>I EQUITY AND LIABILITIES</b>  |          |                         |                         |
| <b>1 Shareholders Funds</b>  |          |                         |                         |
| (a) Share Capital  | 3        | -                       | -                       |
| (b) Reserve & Surplus  | 4        | -                       | -                       |
| <b>2 Non Current liabilities</b>   |          |                         |                         |
| (a) Other Long term Liabilities  | 5        | 5,146                   | 8,732                   |
| (b) Long Term Provisions   | 6        | 1,690                   | 2,265                   |
| <b>3 Current liabilities</b>   |          |                         |                         |
| (a) Trade Payables   |          |                         |                         |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises                      |          | -                       | -                       |
| - Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises | 7        | 354                     | 225                     |
| (b) Other current liabilities  | 8        | 11,248                  | 11,591                  |
| (c) Short Term Provisions  | 9        | 68                      | 43                      |
| <b>TOTAL</b>   |          | <b>18,506</b>           | <b>22,856</b>           |
| <b>II ASSETS</b>   |          |                         |                         |
| <b>1 Non-current Assets</b>  |          |                         |                         |
| (a) Property, Plant and Equipment & Intangible Assets                                    |          |                         |                         |
| - Property, Plant and Equipment  | 10       | 5,144                   | 8,732                   |
| (b) Other non current assets   | 11       | 5,373                   | 5,373                   |
| <b>2 Current Assets</b>  |          |                         |                         |
| (a) Cash and Cash Equivalents  | 12       | 7,896                   | 5,449                   |
| (b) Other Current Assets   | 13       | 93                      | 3,302                   |
| <b>TOTAL</b>   |          | <b>18,506</b>           | <b>22,856</b>           |

See accompanying notes forming part of the financial statements

1-24

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**  
**Firm Registration Number : 117366W/W-100018**

**Joe Pretto**  
**Partner**  
**Membership No. 77491**



**For and on behalf of**  
**Forum for Health Systems Design And Transformation**

*B. Taraporewala*

**Burzis Taraporewala**  
**Director**  
**DIN:- 02005934**

**Rajeev Sadanandan**  
**Chief Executive Officer**

Date:- August 24, 2023  
 Place:- Delhi



**HSD Sreenivas**  
**Director**  
**DIN:- 07744053**

*Vineet Seth*

**Vineet Seth**  
**Chief Financial Officer**

Date:- August 24, 2023  
 Place:- Mumbai



**Forum for Health Systems Design And Transformation****Section 8 Company Limited by Guarantee and not having Share Capital****Statement of Income and Expenditure for the year ended on March 31, 2023**

Rs in ('000)

| Particulars   | Note No. | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|----------|------------------------------------|------------------------------------|
| <b>I INCOME</b>   |          |                                    |                                    |
| (a) Grants or Donations Received  | 14       | 54,153                             | 53,372                             |
| <b>Total Income</b>   |          | <b>54,153</b>                      | <b>53,372</b>                      |
| <b>II EXPENDITURE</b>   |          |                                    |                                    |
| (a) Grant Paid  | 15       | -                                  | 2,721                              |
| (b) Programme Expenses  | 16       | 19,087                             | 20,885                             |
| (c) Establishment Expenses  | 17       | 31,480                             | 25,544                             |
| (d) Depreciation and amortization expenses                                      | 10       | 3,586                              | 4,223                              |
| <b>Total Expenditure</b>  |          | <b>54,153</b>                      | <b>53,372</b>                      |
| <b>III Excess of Income and Expenditure/(Excess of Expenditure over Income)</b> |          | <b>-</b>                           | <b>-</b>                           |

See accompanying notes forming part of the financial statements

1-24

In terms of our report attached.

**For Deloitte Haskins & Sells LLP****Chartered Accountants****Firm Registration Number : 117366W/W-100018****Joe Pretto****Partner****Membership No. 77491**

Date:- August 24, 2023

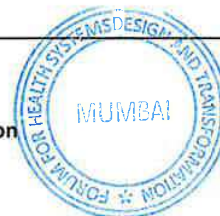
Place:- Mumbai

For and on behalf of

**Forum for Health Systems Design And Transformation****Burzis Taraporevala****Director****DIN:- 02005934**  
**Rajeev Sadanandan**  
**Chief Executive Officer**

Date:- August 24, 2023


Place:- Delhi

**HSD Sreenivas****Director****DIN:- 07744053****Vineet Sethi****Chief Financial Officer**




| Forum for Health Systems Design & Transformation  |          |                                    |                                    |
|---|----------|------------------------------------|------------------------------------|
| Section 8 Company Limited by Guarantee and not having Share Capital   |          |                                    |                                    |
| Cash Flow Statement for the year ended 31st March, 2023   |          |                                    |                                    |
|   |          | Rs in ('000)                       |                                    |
| Particulars   | Note No. | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
| <b>A. Cash flow from operating activities</b>   |          |                                    |                                    |
| Excess of Income and Expenditure/(Excess of Expenditure over Income)  |          | -                                  | -                                  |
| Adjustments for Non Cash Items:   |          |                                    |                                    |
| Depreciation  |          | 3,585                              | 4,223                              |
| Excess of Income over Expenditure before working capital changes  |          | 3,585                              | 4,223                              |
| <b>Changes in working capital</b>   |          |                                    |                                    |
| <u>Increase in Liabilities</u>  |          |                                    |                                    |
| (Decrease) in provisions  |          | (549)                              | (751)                              |
| Increase/(Decrease) in Trade Payables   |          | 129                                | (58)                               |
| (Decrease) in other liabilities   |          | (3,929)                            | (941)                              |
| <u>Increase in Assets</u>   |          |                                    |                                    |
| decrease/(Increase) in other current assets   |          | 3,211                              | (3,177)                            |
| <b>Net cash generated from / (Used in) from operating activities (A)</b>  |          | <b>2,447</b>                       | <b>(704)</b>                       |
| <b>B. Cash flow from investing activities (B)</b>   |          |                                    |                                    |
| Deduction / sales during the year   |          | -                                  | 22                                 |
| <b>Net cash generated from / (Used in) investing activities (B)</b>   |          | -                                  | 22                                 |
| <b>C. Cash flow from financing activities (C)</b>   |          |                                    |                                    |
| <b>Net Increase / (decrease) in Cash and cash equivalents (A+B+C)</b>   |          | <b>2,447</b>                       | <b>(682)</b>                       |
| Cash and cash equivalents at the beginning of the year  |          | 5,449                              | 6,131                              |
| <b>Cash and cash equivalents at the end of the year (as defined in AS 3 Cash flow statement) Included in Note 12</b>  |          | <b>7,896</b>                       | <b>5,449</b>                       |
| * This includes balance of Rs. 1,758 (Rs in '000) towards provision for Leave and Gratuity.<br>Previous Year: Rs 2,308 (Rs in '000) towards provision for Leave and Gratuity. |          |                                    |                                    |
| See accompanying notes forming part of the financial statements   |          | 1-24                               |                                    |

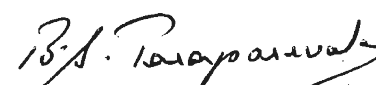
In terms of our report attached,  
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration Number : 117366W/W-100018  
Membership No. 77491

  
Joe Pretto  
Partner


Membership No. 77491




For and on behalf of  
Forum for Health Systems Design And Transformation


  
Burzis Taraporevala  
Director

DIN:- 02005934


  
Rajeev Sadanandan  
Chief Executive Officer

Date:- August 24, 2023  
Place:- Delhi



  
HSD Sreenivas  
Director

DIN:- 07744053

  
Vineet Seth  
Chief Financial Officer

**FORUM FOR HEALTH SYSTEMS DESIGN AND TRANSFORMATION**

**(Company limited by guarantee and not having share capital)**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1. Corporate Information:**

The Company has been established to conduct various projects and programs in connection with working towards achievement of universal health coverage, provide technical support for strengthening health systems, conduct research, assess and evaluate the components of health system to cultivate information that will lead to policy strengthening. The Company was incorporated on May 23, 2018 limited by guarantee and not having share capital pursuant to a license under Section 8(1) of the Companies Act, 2013 granted by the Ministry of Corporate Affairs, Government of India. The CIN of the Company is U74999MH2018NPL309807.

The Company has availed tax exemption under Section 12AA of the Income Tax Act, 1961. During the year, The Company has renewed the said registration vide Document Identification Number AADCF4095NE2021401 which is valid from AY 2022-23 to AY 2026-27.

The Company has obtained registration under section 80G of the Income Tax Act, 1961 which is renewed in the current year vide registration number AADCF4095NF20212 and the same is valid from AY 2022-23 to AY 2026-27.

The Company incurs expenditure directly towards objects and programmes which represent initiatives/activities undertaken by the Company.

**2. Significant Accounting Policies:**

**A. Basis of Preparation of Financial Statements:**

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act").

The financial statements are prepared under the historical cost convention on accrual basis. The Company is a small and medium sized company as defined in the General Instructions in respect of Accounting Standards specified under section 133 of the Companies Act, 2013. Accordingly the Company has complied with the Accounting Standards as applicable to a Small and Medium sized Company. The company falls under the category of Level III Enterprises.

**B. 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 period. 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.



**FORUM FOR HEALTH SYSTEMS DESIGN AND TRANSFORMATION**

**(Company limited by guarantee and not having share capital)**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**C. Revenue Recognition:**

- a) Earmarked grants are initially credited to a liability account in the Balance Sheet and will be transferred to Statement of Income and Expenditure in the year in which and to the extent to which the Company complies with the conditions attached to them.
- b) Donations are recognized as income in Statement of Income and Expenditure in the period in which the collections are actually received.

Interest Income is recognized on time proportion basis taking into account the amount outstanding.

**D. Fixed Assets:**

Tangible assets would be stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost would include purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Components of Grants utilized for meeting costs of capital assets would be disclosed as 'Grant for Capital Assets' as a part of 'Other Non-Current Liabilities'. Costs of such assets would be capitalized. Amount equivalent to depreciation provided on such asset would be released from Capital Grant to Income and Expenditure Account.

**E. Depreciation:**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation would be calculated on written down value method. Depreciation would be provided as per the useful / estimated life prescribed in Schedule II to the Companies Act, 2013.

Following are the categories of assets and their useful life based on Schedule II to the Companies Act 2013:

| <b>Assets</b>                       | <b>Estimated Useful Life</b> |
|-------------------------------------|------------------------------|
| Office Equipment                    | 5 years                      |
| Computers and data processing units | 3 years                      |
| Furniture and Fixtures              | 10 years                     |
| Lease Hold Improvements             | 5 Years                      |

**F. Expenses towards objects:**

Grant expenses represent expenses towards particular programmes which are executed either directly or in collaboration with other charitable organisations.

Programme expenses represent expenses towards programmes which are executed by the Company.



**FORUM FOR HEALTH SYSTEMS DESIGN AND TRANSFORMATION**

**(Company limited by guarantee and not having share capital)**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**G. Employee Benefits:**

**a) Short Term Benefits:**

Short term Employee Benefits would be accounted as an expense in the Income and Expenditure account in the year in which services are rendered by the employees.

**b) Post-employment Benefit Plans**

Contribution to Provident Fund would be recognized as an expense in the Income and Expenditure account when employees have rendered services entitling them to contributions.

Gratuity as per regulations will be provided in the accounts and the same shall be part of post-employment benefits.

**H. Leases -**

Lease under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating lease are recognized as an expense on a straight line basis in Statement of Income and expenditure over the lease term.

**I. Provisions and Contingencies:**

A provision is recognized 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) would not be discounted to their present value and would be determined based on the best estimate required to settle the obligation at the Balance Sheet date. These would be reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities, if any, are disclosed in the Notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**J. Operating cycle:**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 3 Share capital**

The Company is a Private Limited Company within the meaning of Section 2 (68) of the Companies Act, 2013. The Company is limited by Guarantee and does not have a share capital. The liability of each member is restricted to Rs. 5000. In the event of winding up or dissolution of the Company, there remains, after the satisfaction of all the debts and liabilities, any property whatsoever, the same shall not be distributed amongst the members of the Company but shall be given or transferred to another Company registered under Section 8 of the Act and having objects similar to the objects of this Company, subject to such conditions as the Tribunal may impose, or may be sold and proceeds thereof credited to the Insolvency and Bankruptcy Fund formed under Section 224 of the Insolvency and Bankruptcy Code, 2016.

**Note 4 Reserve & Surplus**

Rs in ('000)

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Balance at beginning of the year   | -                       | -                       |
| Add: Excess of Income over Expenditure/ (Expenditure over Income for the period) | -                       | -                       |
| Add: Transfer from Earmarked Fund  | -                       | -                       |
| <b>Total</b>   | <b>-</b>                | <b>-</b>                |

**Note 5 Other Long term Liabilities**

Rs in ('000)

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| (a) Grant for Capital Assets                             |                         |                         |
| Balance at beginning of the year                         | 8,732                   | 12,978                  |
| Add: Transferred from Earmarked Funds (Refer Note 18)    | -                       | -                       |
| Less: Transferred to Statement of Income and Expenditure | 3,586                   | 4,224                   |
| Less: Adjustments due to Assets discarded                | -                       | 22                      |
| <b>Total</b>   | <b>5,146</b>            | <b>8,732</b>            |

**Note 6 Long Term Provisions**

Rs in ('000)

| Particulars            | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|------------------------|-------------------------|-------------------------|
|                        |                         |                         |
| Provision for Gratuity | 1,487                   | 1,928                   |
| Provision for Leave    | 203                     | 337                     |
| <b>Total</b>           | <b>1,690</b>            | <b>2,265</b>            |

*[Handwritten signatures]*

*[Handwritten signature]*



**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 7: Trade Payables**

Rs in ('000)







| Trade Payables ageing schedule as at March 31, 2023 |  |                  |           |           |                   | Amount     |
|---|--|------------------|-----------|-----------|-------------------|------------|
| Particulars   | Outstanding for following periods from the date of the transaction |                  |           |           |                   | Total      |
|   | Not Due  | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |            |
| (i) MSME  | -  | -                | -         | -         | -                 | -          |
| (ii) Others   | -  | 47               | -         | -         | -                 | 47         |
| <b>Total</b>  | -  | <b>47</b>        | -         | -         | -                 | <b>47</b>  |
| Add: Accured Expenses                               |  |                  |           |           |                   | 307        |
|   |  |                  |           |           |                   | <b>354</b> |

Rs in ('000)

| Trade Payables ageing schedule as at March 31, 2022 |  |                  |           |           |                   | Amount     |
|---|--|------------------|-----------|-----------|-------------------|------------|
| Particulars   | Outstanding for following periods from the date of the transaction |                  |           |           |                   | Total      |
|   | Not Due  | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |            |
| (i) MSME  | -  | -                | -         | -         | -                 | -          |
| (ii) Others   | -  | 67               | -         | -         | -                 | 67         |
| <b>Total</b>  | -  | <b>67</b>        | -         | -         | -                 | <b>67</b>  |
| Add: Accured Expenses                               |  |                  |           |           |                   | 216        |
|   |  |                  |           |           |                   | <b>283</b> |

| Additional information- Dues to Micro, Small and Medium Enterprises   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| (a) Principal amount remaining unpaid to any supplier as at the end of the accounting year.   | -                       | -                       |
| (b) Interest paid along with the amounts of the payment made to the supplier beyond the appointed day.  | -                       | -                       |
| (c) The amount of interest due and payable for any 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 MSMED Act. | -                       | -                       |
| (d) The amount of interest accrued and remaining unpaid for any period of delay in  | -                       | -                       |
| (d) The amount of interest accrued and remaining unpaid for any period of delay in  | -                       | -                       |
| (e) The amount of interest accrued and remaining unpaid at the end of the accounting  | -                       | -                       |
| 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 MSMED Act.  | -                       | -                       |

**Note:** The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2005" has been determined to the extent such parties have been identified on the basis of information collected by the management.



**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 8 Other Current Liabilities**

**Rs in ('000)**

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| (a) Unspent grant to Donor Agency (Refer Note 18)                        |                         |                         |
| Balance at beginning of the year   | 11,591                  | 8,285                   |
| Add: Received during the year  | 49,533                  | 53,527                  |
| Add: Interest earned during the year                                     | 73                      | 20                      |
| Add: Other Income tagged to grant  | -                       | 11                      |
| Less: Un-Utilized Grant Refunded during the year                         | -                       | 1,126                   |
| Less: Transferred to Capital Grant                                       | -                       | (22)                    |
| Less: Transferred to Statement of Income and Expenditure (Refer Note 18) | 50,567                  | 49,148                  |
|  | <b>10,630</b>           | <b>11,591</b>           |
| (b) Statutory Remittances  | 616                     | -                       |
| (c) Staff reimbursement  | 2                       | -                       |
| <b>Total</b>   | <b>11,248</b>           | <b>11,591</b>           |

**Note 9 Short Term Provisions**

**Rs in ('000)**

| Particulars            | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|------------------------|-------------------------|-------------------------|
| Provision for Gratuity | 31                      | 19                      |
| Provision for Leave    | 37                      | 24                      |
| <b>Total</b>           | <b>68</b>               | <b>43</b>               |








Forum for Health Systems Design And Transformation  
Section 8 Company Limited by Guarantee and not having Share Capital  
Notes forming part of the financial statements

Note 10 Property, Plant and Equipment

| Particulars                                | Gross Block (at Cost)   |                              |   |                         | Depreciation            |              |   | Net Block               |                         |
|--|-------------------------|------------------------------|---|-------------------------|-------------------------|--------------|---|-------------------------|-------------------------|
|  | As at<br>01 April, 2022 | Additions<br>during the year | Deduction /<br>sales during<br>the year | As at<br>31 March, 2023 | As at<br>01 April, 2022 | For the year | Deduction /<br>sales during<br>the year | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
| <b>Assets purchased from Donors Funds:</b> |                         |                              |   |                         |                         |              |   |                         |                         |
| Lease Hold Improvements                    | 13,589                  | -                            | -                                       | 13,589                  | 6,417                   | 2,931        | -                                       | 9,348                   | 4,240                   |
|  | 13,589                  | -                            | -                                       | 13,589                  | 3,486                   | 2,931        | -                                       | 6,417                   | 7,172                   |
| Furniture and Fixture                      | 976                     | -                            | -                                       | 976                     | 466                     | 132          | -                                       | 598                     | 378                     |
|  | 976                     | -                            | -                                       | 976                     | 287                     | 178          | -                                       | 466                     | 511                     |
| Office Equipments                          | 2,804                   | -                            | -                                       | 2,804                   | 2,030                   | 349          | -                                       | 2,379                   | 425                     |
|  | 2,804                   | -                            | -                                       | 2,804                   | 1,395                   | 635          | -                                       | 2,030                   | 774                     |
| Laptops and Computers                      | 1,547                   | -                            | -                                       | 1,547                   | 1,272                   | 174          | -                                       | 1,446                   | 101                     |
|  | 1,634                   | -                            | 87                                      | 1,547                   | 858                     | 479          | 65                                      | 1,272                   | 275                     |
| <b>Total</b>                               | <b>18,916</b>           | <b>-</b>                     | <b>-</b>                                | <b>18,916</b>           | <b>10,185</b>           | <b>3,586</b> | <b>-</b>                                | <b>13,771</b>           | <b>5,144</b>            |
|  | <b>19,003</b>           | <b>-</b>                     | <b>87</b>                               | <b>18,916</b>           | <b>6,026</b>            | <b>4,223</b> | <b>65</b>                               | <b>10,185</b>           | <b>8,732</b>            |

Note: Figures in italic represent previous year figure



**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 11 Other Non Current Assets**

**Rs in ('000)**

| Particulars      | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|------------------|-------------------------|-------------------------|
| Security Deposit | 5,373                   | 5,373                   |
| <b>Total</b>     | <b>5,373</b>            | <b>5,373</b>            |

**Note 12 Cash and Cash Equivalents**

**Rs in ('000)**

| Particulars   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| (a) Cash in Hand**  | 1                       | 1                       |
| (b) Balances with bank  |                         |                         |
| (i) In Current Account  | 6,101                   | 1,972                   |
| (ii) In Savings Account *   | 1,794                   | 3,476                   |
| <b>Total</b>  | <b>7,896</b>            | <b>5,449</b>            |
| * This includes balance of Rs. 1,758 Thousands (Previous Year: Rs 2,308 Thousands)- towards provision for Leave and Gratuity. |                         |                         |
| ** Amount less than INR 1000.   |                         |                         |
| <b>Note:</b>  |                         |                         |
| (i) Of the above, the balances that meet the definition of cash and cash equivalent as per AS-3 Cash Flow Statement is        | 7,896                   | 5,449                   |

**Note 13 Other Current Assets**

**Rs in ('000)**

| Particulars             | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|-------------------------|-------------------------|-------------------------|
| (a) Security Deposits   | 25                      | 25                      |
| (b) Prepaid expenses    | 68                      | 2,776                   |
| (c) Advance to Supplier |                         | 502                     |
| <b>Total</b>            | <b>93</b>               | <b>3,302</b>            |

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**Forum for Health Systems Design And Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 14 Grants or Donations Received**

Rs in ('000)

| Particulars                                       | For the year ended<br>31st March 2023 | For the year ended<br>31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| <b>Grants or Donations Received</b>               |                                       |                                       |
| (a) Transferred from Earmarked Funds (Note 18)    | 50,567                                | 49,148                                |
| (b) Transferred from Capital Grant Fund (Note 10) | 3,586                                 | 4,224                                 |
| <b>Total</b>                                      | <b>54,153</b>                         | <b>53,372</b>                         |

**Note 15 Grant Paid**

Rs in ('000)

| Particulars    | For the year ended<br>31st March 2023 | For the year ended<br>31st March 2022 |
|----------------|---------------------------------------|---------------------------------------|
| Grant Expenses | -                                     | 2,721                                 |
| <b>Total</b>   | <b>-</b>                              | <b>2,721</b>                          |

**Note 16 Programme Expenses**

Rs in ('000)

| Particulars            | For the year ended<br>31st March 2023 | For the year ended<br>31st March 2022 |
|------------------------|---------------------------------------|---------------------------------------|
| Salaries and Wages     | 15,854                                | 19,918                                |
| Training expenses      | 650                                   | 118                                   |
| Gratuity Expenses      | (164)                                 | -                                     |
| Honorarium Charges     | 74                                    | 55                                    |
| Internship Fee         | 336                                   | 39                                    |
| Advertisement Expenses | 30                                    | -                                     |
| Travel & Conveyance    | 1,127                                 | 416                                   |
| Professional Fees      | 1,067                                 | 297                                   |
| Printing & Stationery  | 113                                   | 42                                    |
| <b>Total</b>           | <b>19,087</b>                         | <b>20,885</b>                         |

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**Forum for Health Systems Design and Transformation**

Company Limited by Guarantee and not having Share Capital

Notes forming part of the financial statements

**Note 17 Establishment Expenses**

Rs in ('000)

| Particulars                   | For the year ended<br>31st March 2023 | For the year ended<br>31st March 2022 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Salaries and Wages            | 11,259                                | 10,023                                |
| Gratuity Expenses             | (264)                                 | (601)                                 |
| Professional Fees             | 2,972                                 | 2,329                                 |
| Audit Fees                    | -                                     | -                                     |
| - Statutory Audit             | 207                                   | 207                                   |
| - Form 10B                    | 30                                    | 30                                    |
| - Out of Pocket Expense       | 4                                     | 4                                     |
| Bank Charges*                 | 1                                     | 1                                     |
| Rates & Taxes                 | 11                                    | 5                                     |
| Food & Hospitality            | 437                                   | 125                                   |
| Internship Fee                | 28                                    | -                                     |
| Telephone & Internet expenses | 464                                   | 535                                   |
| Office Rent                   | 13,258                                | 10,746                                |
| Office Maintenance            | 1,113                                 | 939                                   |
| Electricity Charges           | 1,100                                 | 813                                   |
| Travel & Conveyance           | 206                                   | 6                                     |
| IT Support & Maintenance      | 291                                   | 73                                    |
| Subscription Charges          | 289                                   | 221                                   |
| Recruitment Charges           | 51                                    | 76                                    |
| Insurance Expenses            | 23                                    | 12                                    |
| <b>Total</b>                  | <b>31,480</b>                         | <b>25,544</b>                         |

\* Amount less than INR 1000.



Forum for Health Systems Design & Transformation  
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Notes forming part of the financial statements

| Note 18 Unspent Grants as at 31st March, 2023 |   |                                      |                                 |                                 |                                 |                           |                                   |   |                                      | Rs in ('000) |  |
|---|---|--------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------|-----------------------------------|---|--------------------------------------|--------------|--|
| Funding Agency                                | Project Description   | Opening Balance as at 01 April, 2022 | Grants received during the year | Grants refunded during the year | Interest earned during the year | Transfer to Capital Grant | Other Income/Loss tagged in Grant | Transferred to Income and Expenditure A/c | Closing Balance as at 31 March, 2023 |              |  |
| Sir Ratan Tata Trust                          | Support to Forum For Health Systems Design and Transformation - 3 (LG PH I)   | 5,493                                | -                               | -                               | -                               | -                         | -                                 | -   | 5,493                                |              |  |
|   | ***   | 5,473                                | -                               | -                               | (7)                             | (22)                      | 11                                | -   | 5,493                                |              |  |
| Sir Ratan Tata Trust                          | Support to Forum For Health Systems Design and Transformation - 4 (LG PH II)  | -                                    | -                               | -                               | -                               | -                         | -                                 | -   | -                                    |              |  |
|   | **  | 2,812                                | -                               | -                               | (13)                            | -                         | -                                 | 2,805                                     | -                                    |              |  |
| Sir Ratan Tata Trust                          | Support to Forum For Health Systems Design and Transformation - 4 (LG PH III) | -                                    | -                               | -                               | -                               | -                         | -                                 | -   | -                                    |              |  |
|   | **  | -                                    | 19,300                          | -                               | (1,106)                         | -                         | -                                 | 18,197                                    | -                                    |              |  |
| Sir Ratan Tata Trust                          | Support to Forum For Health Systems Design and Transformation - 4 (LG PH IV)  | 6,098                                | 49,375                          | -                               | 73                              | -                         | -                                 | 50,430                                    | 5,116                                |              |  |
|   |   | -                                    | 34,227                          | -                               | 17                              | -                         | -                                 | 28,146                                    | 6,098                                |              |  |
| DBT Welcome Trust                             | Toward Fellowship Program   | -                                    | 158                             | -                               | -                               | -                         | -                                 | 137                                       | 21                                   |              |  |
|   |   | -                                    | -                               | -                               | -                               | -                         | -                                 | -   | -                                    |              |  |
|   | Total   | 11,591                               | 49,533                          | -                               | 73                              | (22)                      | -                                 | 50,567                                    | 10,630                               |              |  |
|   |   | 8,285                                | 53,527                          | (1,126)                         | 20                              | -                         | 11                                | 49,148                                    | 11,591                               |              |  |

Note: The amount unutilized from Earmarked Funds represent amount received from various donors and sponsors for specific projects under taken/ to be undertaken by the company which have remained unutilized as at the Balance Sheet date.

\*\*Grant closed during the previous year

\*\*\* The project is closed during the previous year, however the unspent amount of Rs. 5,471 ('000) represents the security deposit with ISID. The same will be refunded after the rent agreement ends/terminated.

Note: Figures in *italic* represent previous year figure



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**Forum for Health Systems Design & Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

| Note 19: Ratio Analysis              |                      |  |                |                 |          |       |  |
|--------------------------------------|----------------------|--|----------------|-----------------|----------|-------|--|
| Ratio                                | Numerator            | Denominator  | Current Period | Previous Period | Variance | %     | Reason for change  |
| (a) Current ratio                    | Current Asset        | Current Liabilities                                | 0.68           | 0.73            | 0.04     | 5.95% | Not applicable since the % variance is less than 25%.  |
| (b) Debt-equity ratio                | Total Liabilities    | Equity Capital                                     | -              | -               | -        | -     | The company does not have any debt thus the ratio is not applicable  |
| (c) Debt service coverage ratio      | Net Operating Income | Debt Service                                       | -              | -               | -        | -     | The company does not have any debt thus the ratio is not applicable  |
| (d) Return on equity ratio           | Net Income           | Equity Capital                                     | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable  |
| (e) Inventory turnover ratio         | Cost of Goods Sold   | Avg. Inventory                                     | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable  |
| (f) Trade receivables turnover ratio | Net Credit Sales     | Average Accounts Receivable                        | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable. |
| (g) Trade payables turnover ratio    | Net Credit Purchases | Average Accounts Payable                           | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable  |
| (h) Net capital turnover ratio       | Net annual sales     | Working capital                                    | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable  |
| (i) Net profit ratio                 | Net profit           | Net sales  | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any Business Income/turnover thus, the ratio is not applicable  |
| (j) Return on capital employed       | EBIT                 | Capital Employed (Tostal Asset- Current Liability) | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any investment or profits.                                      |
| (k) Return on investment             | EBIT                 | Cost of Investment                                 | -              | -               | -        | -     | The Company is a Section 8 Company and does not have any investment or profits.                                      |







**Forum for Health Systems Design & Transformation**  
**Section 8 Company Limited by Guarantee and not having Share Capital**  
**Notes forming part of the financial statements**

**Note 20 Segments Reporting:**

The Company is registered as section 8 company with the purpose to conduct various projects and programs in connection with working towards achievement of universal health coverage. The same represents a single Business segment and no separate segmentation or reporting is required as per the Accounting Standard - 17 "Segment reporting". Further no separate geographical segment disclosure has been made since the business is concentrated only in India.

**Note 21** The Company is registered under Section 12AA of the Income Tax Act, 1961 which entitles it to claim an exemption from income tax, provided certain conditions laid down in the Income Tax Act, 1961 are complied with. Provision for income tax would be made only in the year in which the Company is unable to establish reasonable certainty of its ability to fulfill these conditions.

**Note 22 Related Party Transactions**

As required under Accounting Standard on 'Related Party Disclosures' (AS 18), following are details of transactions during

**(a) List of Related Parties and Relationships:**

| Name of the Related Party | Relationship            |
|---------------------------|-------------------------|
| Rajeev Sadanandan         | Chief Executive Officer |

| Related Party Transactions    | Rs in ('000)                      |                                   |
|-------------------------------|-----------------------------------|-----------------------------------|
|                               | For the Year ended 31 March, 2023 | For the Year ended 31 March, 2022 |
| <b>Nature of Transactions</b> |                                   |                                   |
| Salaries                      | 12,079                            | 10,382                            |

**Note 23 Additional regulatory requirement**

1) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that intermediary shall:

- 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 to or on behalf of the Ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that:

- 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 to or on behalf of the Ultimate beneficiaries.

2) There are no balances outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act 2013 or Section 560 of Companies Act 1956.

3) The Company has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.

4) The company has maintained proper books of accounts as required by law in a server physically located in India, except for keeping backup on daily basis of such books of accounts maintained in electronic mode, Subsequent to the year end the daily backup has been maintained by the company.

**Note 24** Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. Previous period figures are not comparable with current year figures since they represent part of the year.

For and behalf of the Forum for Health Systems Design & Transformation



**Burzis Taraporevala**  
**Director**  
**DIN:- 02005934**



**HSD Sreenivas**  
**Director**  
**DIN:- 07744053**



**Rajeev Sadanandan**  
**Chief Executive Officer**



**Vineet Seth**  
**Chief Financial Officer**

Date:- August 24, 2023  
 Place:- Delhi

