

FINANCIAL REPORT

Financial Year : 2020-2021

Piramal Swasthya

Management Research Institute

OFFICE ADDRESS:

3rd Floor, Awfis Oyster Complex, 6-3-1112, Greenlands Road, Somajiguda, Hyderabad – 500016, India.

INDEPENDENT AUDITORS' REPORT

To the Members of General Body of Piramal Swasthya Management and Research Institute

Report on the Audit of the Financial Statements**Opinion**

1. We have audited the accompanying financial statements of Piramal Swasthya Management and Research Institute ("the Society"), which comprise the Balance Sheet as at March 31, 2021, the Income and Expenditure Account and the Receipts and Payment Account for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at March 31, 2021 and its excess of expenditure over income for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing ('SAs') issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

4. The Entity's Governing Board are responsible for the preparation of these financial statements in accordance with the accounting principles generally accepted in India and for such internal control as management determines us necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
5. In preparing the financial statements, the Governing Board is responsible for assessing the Society'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 Governing Board either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.
6. The Governing Board is responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objective is 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.



8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's Internal Financial Controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governing Board.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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 the 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 an identified misstatements in the financial statements.
10. 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.
11. 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.

For Lodha & Co.
ICAI FRN: 301051E
Chartered Accountants



R P Baradiya
Partner

Membership No.: 44101
UDIN: 21044101AAABSP4658



Place : Mumbai

Date : 07.09.2021

Piramal Swasthya Management and Research Institute

3rd Floor, Awfis Oyster Complex, 6-3-1112, Greenlands Road, Somajiguda, Hyderabad- 500016, India.

Balance Sheet as on March 31,2021
Amount in Rupees

Particulars	Sch No	As at March 31,2021	As at March 31,2020
Liabilities:			
Corpus Fund	1	8,54,36,000	8,54,36,000
General Reserve		3,92,00,000	3,92,00,000
Excess of Income over Expenditure	2	31,21,61,603	33,05,29,866
Non Current Liabilities & Provisions	3		
Secured Loans		-	15,04,607
Provisions		3,99,43,297	3,37,23,762
Current Liabilities & Provisions			
Secured Loans	4	3,29,42,499	4,15,41,682
Unsecured Loans	5	5,25,00,000	20,95,00,000
Other Current Liabilities	6	20,41,54,255	12,62,26,643
Short term Provisions	6	2,20,26,286	1,41,14,118
Total		78,83,63,940	88,17,76,677
Non Current Assets :			
Property, Plant and Equipment :			
Gross Block		27,28,97,870	27,27,08,447
Less: Accumulated Depreciation		16,24,38,132	12,72,69,258
Net Block	7-A	11,04,59,738	14,54,39,190
Property, Plant and Equipment Held in Trust	7-B	7,658	1,91,076
Capital Work in Progress	7-C	-	28,23,466
Long-term Loans and Advances	8	3,41,89,938	2,43,60,505
Current Assets :			
Inventory	9	83,80,060	1,11,53,405
Receivables	10	45,74,11,428	51,37,53,180
Cash & Bank Balances	11	15,54,43,199	9,80,67,675
Short-term Loans and Advances	12	2,24,71,919	8,59,88,181
Total		78,83,63,940	88,17,76,677

Summary of significant accounting policies and notes to accounts

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The Schedules referred to above form an integral part of the financial statements.

As per our report of even date attached

For Lodha & Co

Chartered Accountants

ICAI FRN.301051E



R P Baradiya

Partner

Membership No. 44101


For Piramal Swasthya Management and Research Institute


K. Chandramouli

Chief Financial Officer



Aditya Natraj

Head - Piramal Swasthya

Place: Mumbai

Date :September 07, 2021

Place: Hyderabad

Date :September 07, 2021

Place: Hyderabad

Date :September 07, 2021



Income & Expenditure Statement for the Year Ended March 31,2021
Amount in Rupees

Particulars	Sch No	Year Ended March 31,2021	Year Ended March 31,2020
INCOME			
Receipts and Donations			
Receipts for Call Centre Operations		41,03,90,814	37,66,81,926
Donations		17,68,00,000	36,87,00,000
Foreign Grants		17,40,57,496	48,05,882
Receipts for CSR Activities		15,17,89,191	21,90,97,269
Receipts for MMU Operations		12,42,37,935	11,58,08,030
Receipts for Other Operations		3,95,27,150	4,24,17,259
Receipts for TMC Operations		2,54,69,120	2,65,02,957
Sub Total (A)		1,10,22,71,706	1,15,40,13,323
Other Income			
Interest and Other Income (B)	13	1,66,32,846	3,40,04,524
Total Income (A)+(B) : (C)		1,11,89,04,552	1,18,80,17,847
EXPENDITURE			
Operating Cost	14	98,36,13,662	92,95,31,726
Administrative Cost	15	8,81,33,498	20,73,78,072
Finance Charges	16	2,24,39,663	3,26,08,156
Depreciation	8-A	4,30,85,992	3,90,41,817
Total Expenses (D)		1,13,72,72,815	1,20,85,59,771
Surplus / (Deficit) (C)-(D) : (E)		(1,83,68,263)	(2,05,41,925)
Net Excess of Expenditure over Income		(1,83,68,263)	(2,05,41,925)

Summary of significant accounting policies and notes to accounts

17

The Schedules referred to above form an integral part of the financial statements.

As per our report of even date attached

For Lodha & Co

Chartered Accountants

ICAI FRN.301051E



R P Baradiya

Partner

Membership No. 44101

Place: Mumbai

Date :September 07, 2021

For Piramal Swasthya Management and Research Institute

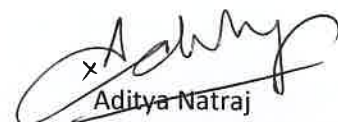


K.Chandramouli

Chief Financial Officer

Place: Hyderabad

Date :September 07, 2021



Aditya Natraj

Head - Piramal Swasthya

Place: Hyderabad

Date :September 07, 2021



Amount in Rupees

Schedule - 1

Particulars	As at March 31,2021	As at March 31,2020
Corpus Fund		
Donation Received	8,54,00,000	8,54,00,000
Membership Fee	29,000	29,000
Application Fee	7,000	7,000
TOTAL	8,54,36,000	8,54,36,000

Schedule - 2

Particulars	As at March 31,2021	As at March 31,2020
Excess Of Income Over Expenditure		
Balance Brought Forward (Previous Year)	33,05,29,866	35,10,71,790
Add/(Less): For Current Year	(1,83,68,263)	(2,05,41,925)
TOTAL	31,21,61,603	33,05,29,866

Schedule - 3

Particulars	As at March 31,2021	As at March 31,2020
Non Current Liabilities & Provisions		
Long term - Secured Loans*		
Vehicle Loan	-	15,04,607
Total (a)	-	15,04,607
Long term - Provisions		
Provision for Gratuity (Refer Note III.g)	2,44,66,290	1,73,85,454
Provision for Leave encashment	1,54,77,007	1,63,38,308
Total (b)	3,99,43,297	3,37,23,762
TOTAL	3,99,43,297	3,52,28,369

* Refer Note No. III (b) & (C) for Interest rate, repayment schedule and security clause



Schedule - 4

Particulars	As at March 31,2021	As at March 31,2020
Short term - Secured Loans*		
Working Capital Loan - Cash Credit	3,19,94,940	3,43,32,467
Vehicle Loan	9,47,559	72,09,215
TOTAL	3,29,42,499	4,15,41,682

* Refer Note No. III (b) & (C) for Interest rate, repayment schedule and security clause

Schedule - 5

Particulars	As at March 31,2021	As at March 31,2020
Short term - Unsecured Loans		
Piramal Enterprises Limited*	5,25,00,000	17,00,00,000
Piramal Welfare Trust	-	3,95,00,000
TOTAL	5,25,00,000	20,95,00,000

* Refer Note No. III (d)

Schedule - 6

Particulars	As at March 31,2021	As at March 31,2020
Sundry Creditors		
Sundry Creditors for Expenses	4,14,97,367	4,80,55,695
Sundry Creditors for Capital Goods	94,90,878	2,19,60,424
Other current liabilities		
Staff Reimbursements Payable	38,75,588	28,15,872
Salaries Payable	85,57,086	7,65,387
Deferred Donations	10,93,68,488	1,79,88,832
Statutory Dues Payable	1,54,34,879	1,76,98,462
Interest Payable on Secured Loans	3,856	37,377
Interest Payable on Unsecured Loans	1,59,26,113	1,69,04,595
	20,41,54,255	12,62,26,643
Short Term Provisions		
Provision for Gratuity	26,48,368	13,39,396
Provision for Leave encashment	55,77,568	40,18,872
Provision for Doubtful debts	1,38,00,350	87,55,850
	2,20,26,286	1,41,14,118
TOTAL	22,61,80,541	14,03,40,761



PIRAMAL SWASTHYA MANAGEMENT AND RESEARCH INSTITUTE

Schedules forming part of the Financial Statements

Schedule 7-A Property, Plant and Equipment - Owned

S.No	Particulars	Rate of Deprn. (%)	Gross Block as on 1-Apr-20	Additions	Total	Deletions during the year	Total Gross Block as on 31-Mar-21 (After Deletions)	Accumulated Depreciation Upto 31-Mar-2020	Deletion of Accumulated Depreciation	Depreciation for the Year	Total Depreciation upto 31.03.2021	Opening Written Down Value as on 1-Apr-20	Closing Written Down Value as on 31-Mar-21
1	Computers - Hardware - Software	40% 40%	5,44,03,992 12,78,78,158	9,44,261 1,29,56,642	5,53,48,253 14,08,34,800	24,28,618 2,42,670	5,29,19,635 14,05,92,128	3,86,06,859 6,07,47,595	22,68,109 1,32,598	65,29,396 2,81,54,406	4,28,68,146 8,87,69,403	1,57,97,134 6,71,30,563	1,00,51,490 5,18,22,725
2	Electronic & Electrical Equipment	15%	72,42,159	4,49,068	76,91,227	11,21,550	65,69,677	29,26,280	8,18,608	6,77,946	27,85,618	43,15,879	37,84,059
3	Furniture & Fixture	10%	1,77,38,269	9,55,990	1,86,94,259	48,09,555	1,38,84,704	47,36,773	16,79,889	10,83,949	41,40,833	1,30,01,496	97,43,871
4	Office Equipment	15%	87,41,341	99,456	88,40,797	7,84,582	80,56,215	37,33,934	3,89,475	7,09,793	40,54,252	50,07,406	40,01,962
5	Medical Equipment -Life Saving Equipment -Other Equipment	40% 15%	2,35,144 1,23,14,006	10 1,97,634	2,35,154 1,25,11,640	1,21,493	2,35,154 1,23,90,147	2,34,732 39,74,684	29,317	164 12,53,821	2,34,896 51,99,189	412 83,39,321	258 71,90,958
6	Vehicles -MHU -Two Wheeler	15% 15%	4,19,87,950 21,67,428	16,85,840	4,36,73,790 21,67,428	74,96,464 94,544	3,61,77,326 20,72,884	1,17,26,457 5,81,944	25,53,626 45,496	44,40,882 2,35,635	1,36,13,713 7,72,082	3,02,61,494 15,85,485	2,25,63,613 13,00,802
	Total		27,27,08,447	1,72,88,901	28,99,97,348	1,70,99,476	27,28,97,870	12,72,69,258	79,17,117	4,30,85,992	16,24,38,132	14,54,39,190	11,04,59,738



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Amount in Rupees

Schedule 7-B

Property, Plant and Equipment - Held in Trust

S.No	Particulars	Opening Balance as on 1-Apr-20	Additions	Grant Applied for Acquisition of Fixed Assets	Closing Balance as at 31-Mar-2021
1	Computers				
	- Hardware	1,83,179	94,21,196	96,01,005	3,370
	- Software	243	40,652	40,652	243
2	Electronic & Electrical Equipment	957	1,10,705	1,10,701	961
3	Furniture & Fixture	5,607	3,30,825	3,34,456	1,976
4	Office Equipment	938	52,92,664	52,92,658	944
5	Water ATM	25			25
6	Medical Equipment	125	17,07,198	17,07,186	137
7	Vehicles	2			2
	Total	1,91,076	1,69,03,240	1,70,86,658	7,658
	Previous Year Values as on 31 Mar 20	30,37,653	98,24,283	1,26,70,860	1,91,076

Note: The Assets purchased out of Government / client Grant in Aid is shown in the Balance Sheet as a deduction from the Gross value of the relevant fixed asset, as the ultimate ownership of such assets lies with Government/Funding Agency. Hence, depreciation is not provided on such assets.

Schedule 7-C

Capital Work in Progress-Asset under installation

Amount in Rupees

S.No	Particulars	Opening CWIP	Additions During the Year	Capitalised During the Year	Closing Balance as at 31-Mar-2021
1	Office Equipment	28,23,466	-	28,23,466	-
	Total	28,23,466	-	28,23,466	-
	Previous Year Values as on 31 Mar 20	5,22,58,371	28,23,466	5,22,58,371	28,23,466



Piramal Swasthya Management and Research Institute
Schedules forming part of the Financial Statements
Schedule - 8

Particulars	As at March 31,2021	As at March 31,2020
Long term Loans and Advances		
Security Deposits	1,45,57,365	1,52,42,154
Rent Deposits	19,70,534	20,07,038
Telephone & Other Deposits	7,01,443	5,00,351
Capital Advances	68,97,432	-
Tax Deducted at Source	1,00,63,165	66,10,962
TOTAL	3,41,89,938	2,43,60,505

Schedule - 9

Particulars	As at March 31,2021	As at March 31,2020
Inventory		
Stock of Medicines - On Hand	83,80,060	1,11,53,405
TOTAL	83,80,060	1,11,53,405

Schedule - 10

Particulars	As at March 31,2021	As at March 31,2020
Receivables		
Outstanding for a Period Exceeding Six Months		
Receivable from various State Governments	20,90,34,150	24,22,73,344
Receivable from other than State Governments	43,29,087	42,28,230
Outstanding for a Period Less than Six Months		
Receivable from various State Governments	19,69,99,779	23,46,13,655
Receivable from other than State Governments	1,24,12,859	2,19,01,344
Unbilled Receivables	3,46,35,553	1,07,36,607
Total	45,74,11,428	51,37,53,180

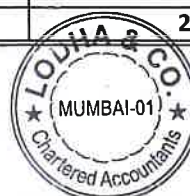
Schedule - 11

Particulars	As at March 31,2021	As at March 31,2020
Cash & Bank Balances		
Bank Balances in CC Accounts	15,54,707	84,87,197
Bank balances in FCRA Accounts	4,48,59,749	33,33,694
Fixed Deposits with Banks (incl. Interest accrued)		
FDR kept for Bank Guarantee	4,53,18,495	2,17,29,943
FDR kept for Margin Money - Cash Credit Limit	6,37,10,248	6,45,16,841
TOTAL	15,54,43,199	9,80,67,675

Schedule - 12

Particulars	As at March 31,2021	As at March 31,2020
Short-term Loans and Advances		
Advances to Suppliers	61,28,516	1,62,22,087
Advances to Employees	3,77,661	21,91,875
Prepaid Expenses	61,27,591	77,02,351
Balance with GST Authorities	26,67,898	15,00,008
Interest Accrued But Not received	2,50,598	-
IT Refund Receivable	69,19,654	5,83,71,860
TOTAL	2,24,71,919	8,59,88,181

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Amount in Rs

Schedule - 13

PARTICULARS	Year Ended March 31,2021	Year Ended March 31,2020
Interest and Other Income		
Interest Income	76,07,567	62,24,750
Interest on Refund of Income Tax	76,05,623	89,96,020
Other Income	9,23,826	25,59,543
Provisions No longer Required Written Back	4,95,830	1,62,24,211
Total	1,66,32,846	3,40,04,524

Schedule - 14

PARTICULARS	Year Ended March 31,2021	Year Ended March 31,2020
Operating Cost		
Salaries and Employee Benefits	59,29,97,680	45,89,63,339
Consultation & Contract Charges	12,19,95,898	14,09,19,625
Software Updates/Maintenance	3,85,08,922	3,90,45,112
Communication expenses	3,66,99,672	3,71,58,232
Travel & Conveyance	4,12,28,120	3,57,68,368
Drugs, Medicines, Consumables & Investigations	2,11,35,448	3,08,64,108
Vehicle Maintenance	1,78,20,292	2,59,11,053
Repairs & Maintenance	1,06,75,909	2,60,86,840
Rent	2,09,20,458	1,83,57,125
Provision for bad and doubtful debts	50,44,500	87,55,850
Earlier Year Receivables - Written off	49,79,059	4,43,15,038
Insurance	1,29,76,623	1,04,37,536
Operational Maintenance Expenditure	99,77,383	1,07,60,278
Staff Welfare Expenses	1,04,94,174	81,90,008
Power & Electricity	68,08,921	77,93,109
Security Services	82,18,916	76,47,856
Printing & Stationary	42,87,821	67,97,586
Awareness & Training	46,42,125	37,48,208
House Keeping Charges	45,90,778	36,17,606
Loss on transfer/sale of Property, Plant and Equipment	43,67,424	5,45,389
Equipment Hire Charges	40,61,952	16,05,594
Advertisement	4,43,973	12,24,660
Postage & Courier Charges	7,37,614	6,27,134
Project Launching Expenses	-	3,76,037
Foreign Exchange Gain/(loss)	-	16,035
Total	98,36,13,662	92,95,31,726



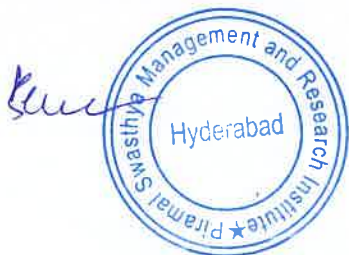
Schedule - 15

PARTICULARS	Year Ended March 31,2021	Year Ended March 31,2020
Administrative Cost		
Salaries and Employee Benefits*	4,06,59,139	10,32,25,629
Consultation & Contract charges	1,21,65,831	1,95,61,876
Travel and Conveyance	29,43,189	2,29,08,038
Office Maintenance	95,61,680	2,52,70,332
Rent	74,49,700	90,88,151
Rates & Taxes	13,72,453	78,37,119
EMD and Other advances written off	20,61,013	38,85,824
Power & Electricity	22,04,274	34,21,850
Repairs & Maintenance	34,81,804	20,96,416
Staff welfare Expenses	2,69,977	25,29,906
House Keeping Charges	12,70,111	24,56,604
Communication expenses	10,01,952	16,57,207
Internal Audit Fee & Certification Charges	11,68,929	8,21,789
Bank Charges	5,67,802	8,15,024
Security Services	10,14,363	9,18,497
Statutory Audit Fee	4,00,000	4,00,000
Membership Fee	5,41,281	4,83,810
Total	8,81,33,498	20,73,78,072

*includes Gratuity and Compensated Absences for Operational staff

Schedule - 16

PARTICULARS	Year Ended March 31,2021	Year Ended March 31,2020
Finance Charges		
Interest on Unsecured Loans	1,54,18,574	2,24,16,482
Interest on Secured Loans	70,21,089	1,01,91,674
Total	2,24,39,663	3,26,08,156



Piramal Swasthya Management and Research Institute
Notes forming part of the Financial Statements for the year ended 31st March, 2021
Schedule 17
Significant Accounting Policies and Other notes forming part of the financial statements for the year ended 31st March, 2021
I. Organization Overview

Piramal Swasthya Management and Research Institute (PSMRI) is a Society established under Andhra Pradesh Societies Act, 2001 (as applicable to Telangana Societies Registration Act Rules, State Government of Telangana) on 8th Oct, 2007 vide registration certificate No. 1583 of 2007. The Society is registered under Section 12AA of the Income tax Act, 1961 (Vide letter No. DIT(E)/HYD/12A/46(03)/07-08. Further, the Society has been registered under the Foreign Contribution (Regulation) Act, 2010 for carrying out activities of Social nature with Registration No. 010230907, Dt. 17-Aug-2012.

The aims and objectives of the Society are to manage health related programmes for Government Health Departments and any other organisation with a view to enhance the quality, access and utilization of health facilities by leveraging State of the Art Technology.

II. Significant Accounting Policies
(i) Basis of preparation of financial statements

The Balance Sheet and Income & Expenditure Statements are prepared under the historical cost convention and accounting is on accrual basis. In the absence of authoritatively established accounting principles for the specified aspects related to Charitable Societies which do not carry out any commercial activity, these statements have been prepared in accordance with the significant accounting policies as described below. There are no other entities or Trusts or Societies over which the Society exercises controlling interest, thus there is no requirement of consolidating other entities into the society's financial statements.

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated.

(iii) Property, Plant and Equipment ('PPE')

PPE are stated at cost of acquisition less accumulated depreciation. The cost include freight, duties, taxes and expenses incidental to the installation of the respective assets.

Intangible assets are recorded at the costs incurred for development of such assets or consideration paid for acquisition of such assets and are carried at cost less accumulated amortization.

Book depreciation on PPE is provided on the basis of Written Down Value method as provided under the Income Tax Act, 1961 at the rates mentioned below:

Particulars	Rates of Depreciation
Office Equipment	15 %
Furniture and fixtures	10 %



Piramal Swasthya Management and Research Institute
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Particulars	Rates of Depreciation
Computer Hardware	40 %
Computer Software	40 %
Vehicle	15 %
Medical Equipment – Life Saving	40 %
Medical Equipment – Others	15 %

Gains or losses arising from the retirement, transfer or disposal of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Income & Expenditure Statement.

Advance paid towards the acquisition of PPE outstanding at each Balance Sheet date are disclosed as capital advance under loans and advances.

The cost towards PPE incurred, but not ready for their intended use before Balance Sheet date are disclosed as Capital work-in progress.

Government Grant-in-aid provided by the State Government/Funding Agency for the acquisition of PPE (non-recurring expenditure) is shown in the Balance Sheet as a deduction from the gross value of the relevant Fixed Assets and a Nominal value is reflected for such Assets in the books of accounts. Depreciation is not charged on these Assets.

Wherever the respective State Government/ Funding Agency has not released the Non-Recurring Grant for any year, the value of such PPE procured with own funds of Piramal Swasthya, are shown as “Fixed Assets held in trust” in the Balance Sheet.

(iv) Inventory

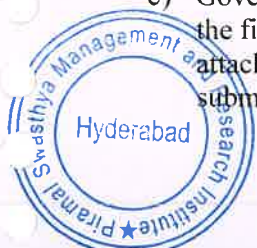
Inventories include medicines and consumables and are valued at Cost or Net realizable value, whichever is lower. The Cost of medicines and consumables (Other than received from State Govts) includes cost of purchases plus cost incurred in bringing the medicines and consumables to its present location. Cost is determined using weighted average method.

(v) Revenue recognition-MMU, Call Centres, CSR, and Other Operations.

- Revenue from MMU, Call Centre and CSR Services are recognized as and when the services are rendered based on the rate fixed in the respective Memorandum of Understanding entered into with the Government/Corporates.
- Donations made with a specific direction that they shall form part of the corpus fund of the society are classified as such, and are directly reflected as Society fund receipts in the balance sheet. Unrestricted grants are recognized on the basis of actual receipt of such grant. Restricted grants are recognized based on fulfillment of conditions as stipulated in the agreement with the Donor.
- Government Grant-in aid received from State Government towards Recurring Expenditure is recognized in the financial statements on the basis of reasonable assurance that the entity will comply with the conditions attached to them. However considering the nature of operations, revenue in these cases is recognized on submission of utilisation certificates to the respective State Governments.



K. Mangganao



Piramal Swasthya Management and Research Institute**Notes forming part of the Financial Statements for the year ended 31st March, 2021**

- d) Government Grant-in aid received from State Government/Funding Agency against Non-recurring Expenditure (Fixed Assets) are adjusted against the Cost of the Fixed Assets as the ownership of such assets acquired and created from such Government Grant-in-aid vests with the Government/Funding Agency and the unutilized amounts of such Non Recurring Grants are reflected under Specific Purpose Funds as a Liability.
- e) Interest income is recognised using the time-proportion method, based on underlying interest rates.

(vi) Income tax

Under the provision of the Income Tax Act, 1961, the income of the society is exempt from tax, subject to the compliance of terms and conditions specified in the Act.

(vii) Foreign exchange transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency assets and liabilities are restated at the rate prevailing as at the date of Balance Sheet. The difference between the year-end rate and exchange rate as at the date of transaction, if any is recognized as expense or income in the Income and Expenditure Account.

(viii) Provisions and Contingent liabilities

The provisions are recognised when, as a result of obligating events, there is a present obligation that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation.

The contingent liability disclosure is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

No provision or disclosure is made when, as a result of obligation events, there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote.

(ix) Leases

Assets acquired under lease, where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rental in respect of operating lease is charged to expense when due as per terms of the related agreement.

(x) Retirement benefits**Provident fund**

All eligible employees receive benefit from provident fund, which is a defined contribution plan. Both the employee and the Society make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary.

Gratuity

The Society provides gratuity, a defined benefit retirement plan, to its eligible employees. In accordance with the payment of Gratuity Act, 1972, the gratuity plan provides a lump sum payment to the eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and tenure of employment with the Society. The gratuity liability is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

Piramal Swasthya Management and Research Institute
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Compensated Absences

Compensated Absences is payable to eligible employees who have earned leaves during the employment and / or on superannuation as per the Organization's policy. The liability is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

III. Notes to Accounts

a) **Legal and professional expenses**

Payments to auditors (excluding GST) are as below:

(Amount in Rupees)

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Statutory audit	4,00,000	4,00,000
Other services, certification	70,750	5,400
Total	4,70,750	4,05,400

b). During the year, Cash Credit limit provided by Axis Bank Ltd, SME Centre, Hyderabad for Rs.12 crores (Previous year Rs. 12 Crores) had been renewed on 29-10-2020 for further 12 months. The interest and security details of the Cash Credit limit provided by Axis Bank Ltd, SME Centre is as under:

Interest	REPO+4.85% i.e 8.85% per annum.
Security	Primary Security: First charge on entire current assets
	Collateral Security: 1.First charge by way of hypothecation of entire unencumbered fixed assets owned by the society (excluding vehicles, assets under HP/Lease) both present and future. 2.The exposure shall be secured by FDRs covering 50% of the CC limit of Rs.12 crores.
Validity of limit	28.10.2021

c) Rate of Interest on Vehicle Loans taken is 9% p.a. – 10% p.a. (Previous Year 9% p.a. – 10% p.a.). These loans are payable in equal monthly installments. During the year PSMRI has not availed any vehicle loans.

d) Details of Unsecured Short Term Loan taken from M/s. Piramal Enterprises Limited is as under:

(Amount in Rs.)

Opening Balance as on April 01, 2020	Received during the year	Repaid during the year	Balance as on March 31, 2021	Rate of Interest
17,00,00,000	Nil	11,75,00,000	5,25,00,000	11.25% p.a.

e). In case of certain employees whose Provident Fund A/c numbers are not linked to Aadhaar, an amount of Rs.63,856/- is payable as on March 31, 2021, towards monthly contributions to Employees Provident Fund Organisation (EPFO). The same will be remitted upon linkage of Aadhaar Numbers to PF Account numbers of employees.

f). The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.



Piramal Swasthya Management and Research Institute
Notes forming part of the Financial Statements for the year ended 31st March, 2021

g). Actuarial Valuation in respect of Gratuity and Compensated Absences has been carried out by an independent actuary as at the Balance Sheet date and the details are as under:

Gratuity Plan - Defined Employee long-term Benefits

Changes in the Present Value of Obligation:

(Amount in Rupees)

Particulars	FY 2020-21	FY 2019-20
Defined Benefit Obligation at the beginning	1,87,24,850	1,70,72,567
Interest cost	8,76,881	12,06,617
Current service cost	73,24,910	56,89,278
Prior Service Cost – Vested benefit	-	-
Benefits paid by the Organisation	(1,15,83,008)	(23,92,043)
Actuarial (Gains)/Loss on obligation	1,17,71,026	(28,51,570)
Defined Benefit Obligation at the end	2,71,14,658	1,87,24,850

Expenses Recognized in the Profit and Loss Account:

(Amount in Rupees)

Particulars	FY 2020-21	FY 2019-20
Current service cost	73,24,910	56,89,278
Interest cost on obligation	8,76,881	12,06,617
Past service Cost	-	-
Net Actuarial (Gain) / Loss to be recognized	1,17,71,026	(28,51,570)
Total Expense recognized in Statement of Profit or Loss	1,99,72,816	40,44,326

Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	FY 2020-21	FY 2019-20
Discount Rate(Per Annum)	6.91%	6.78%
Salary Growth Rate(Per Annum)	4%	2%
Expected Rate of Return on Plan Assets (Per Annum)	0%	0%

Valuation Assumptions

The discount rate for defined benefit plan and other long term benefits is based on the prevailing market yields of Indian Government bonds as at Balance Sheet date for the estimated term of the obligations.

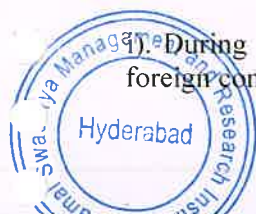
The estimate of future salary increases considered for defined plan and other long term benefits takes into account the inflation, seniority, promotion, increments and other relevant factors.

The above disclosure is made to the extent of information available with the society.



h). Contingent Liabilities – NIL

i). During the year the Society has received the following amount in the FCRA designated Bank Account as foreign contribution from the various organisations as mentioned below.



Piramal Swasthya Management and Research Institute
Notes forming part of the Financial Statements for the year ended 31st March, 2021

Description	FY 2020-21		FY 2019-20	
	Foreign Currency in USD	Amount in INR	Foreign Currency in USD	Amount in INR
USAID	-	-	30,000	20,82,103
Bill & Melinda Gates Foundation	20,00,000	14,71,62,668	-	-
World Diabetes Foundation	5,02,794	3,70,64,905	-	-
Rockefeller Foundation	5,00,000	3,69,95,137	-	-
MUFG Bank Ltd	-	1,06,02,130	-	-
Total:	30,02,794	23,18,24,841	30,000	20,82,103

k). During the year the Society has not incurred any exchange loss for importing Equipment.

l). The Society has entered into operating lease agreements for office premises at head office and project locations.

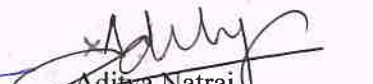
Lease rental payable

Particulars	As at 31-3-2021 (Amount in Rs)	As at 31-3-2020 (Amount in Rs)
Not later than one year	2,74,02,445	2,33,00,000
Later than one year and not later than five years	2,01,68,672	12,63,00,000
Later than five years	-	3,16,00,000

n). Previous year figures have been regrouped/ reclassified, as necessary to make them comparable with the current year's presentation.

Signatories to Notes 1 to 17
For Piramal Swasthya Management and Research Institute

 K. Chandramouli
 Chief Financial Officer


 Aditya Natraj
 Head- Piramal Swasthya

Place: Hyderabad

Date: September 07, 2021

Place: Hyderabad

Date: September 07, 2021

