

LUPIN DIGITAL HEALTH LIMITED

AUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
MARCH 31, 2024**

Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East) | Mumbai 400055

Independent Auditor's Report

To the Members of Lupin Digital Health Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lupin Digital Health Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) 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 in the 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.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, loss and other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

Registered Office:

Independent Auditor's Report (Continued)

Lupin Digital Health Limited

of 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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.

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

Independent Auditor's Report (Continued)

Lupin Digital Health Limited

safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report 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 the certain matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 50(G) 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 ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the 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 on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 50(G) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Continued)

Lupin Digital Health Limited

(iii) 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 (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software:

i. The feature of recording audit trail (edit log) was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account.

ii. In the absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the independent auditor's report of a service organization for an accounting software used for lease transactions, we are unable to comment whether audit trail feature for the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with during the course of the audit.

A. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Siddharth Pandya

Partner

Place: Mumbai

Membership No.: 135037

Date: 04 May 2024

ICAI UDIN:24135037BKDBER8262

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Digital Health Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified annually. In accordance with this programme, all of the property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancy was noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee, security or made any investment as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and on the basis of our examination

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Digital Health Limited for the year ended 31 March 2024 (Continued)

of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Digital Health Limited for the year ended 31 March 2024 (Continued)

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a public limited company and the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has incurred cash losses of Rs. 348.2 million in the current financial year and Rs. 322.4 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the

B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements
of Lupin Digital Health Limited for the year ended 31 March 2024 (Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Siddharth Pandya

Partner

Place: Mumbai

Membership No.: 135037

Date: 04 May 2024

ICAI UDIN:24135037BKDBER8262

Annexure B to the Independent Auditor's Report on the financial statements of Lupin Digital Health Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Lupin Digital Health Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Annexure B to the Independent Auditor's Report on the financial statements of Lupin Digital Health Limited for the year ended 31 March 2024 (Continued)

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Siddharth Pandya

Partner

Place: Mumbai

Date: 04 May 2024

Membership No.: 135037

ICAI UDIN:24135037BKDBER8262

LUPIN DIGITAL HEALTH LIMITED
BALANCE SHEET AS AT 31.03.2024

(₹ in million)

	Note	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2	9.4	6.9
b. Other Intangible Assets	3	352.2	311.0
c. Right-Of-Use Assets	4	20.9	27.6
d. Intangible Assets Under Development	5	13.4	78.0
e. Financial assets			
Other Non-Current Financial Assets	6	3.0	-
f. Non-Current Tax Assets (Net)		0.3	0.5
g. Other Non-Current Assets	7	143.2	-
		<u>542.4</u>	<u>424.0</u>
Current Assets			
a. Inventories	8	1.2	10.1
b. Financial Assets			
(i) Current Investments	9	105.3	-
(ii) Trade Receivables	10	0.1	0.0
(iii) Cash and Cash Equivalents	11	4.3	14.5
(iv) Other Bank Balances	12	-	226.2
(iv) Other Current Financial Assets	13	2.2	0.5
c. Other Current Assets	14	17.8	84.0
		<u>130.9</u>	<u>335.3</u>
TOTAL		<u>673.3</u>	<u>759.3</u>
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	15	565.3	445.8
b. Other Equity		(8.5)	35.9
		<u>556.8</u>	<u>481.7</u>
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Lease Liabilities	35	9.9	18.3
(ii) Other Non-Current Financial Liabilities	16	0.3	0.1
b. Non-Current Provisions	17	6.1	2.8
c. Deferred Tax Liabilities (net)		-	6.6
		<u>16.3</u>	<u>27.8</u>
Current Liabilities			
a. Financial Liabilities			
(i) Lease Liabilities	35	11.8	9.6
(ii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	18	0.6	1.5
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	18	38.9	122.5
(iii) Other Current Financial Liabilities	19	39.5	103.5
b. Other Current Liabilities	20	8.4	12.2
c. Current Provisions	21	1.0	0.5
		<u>100.2</u>	<u>249.8</u>
TOTAL		<u>673.3</u>	<u>759.3</u>
See accompanying notes forming part of the financial statements			

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.101248W/W -100022

For and on behalf of Board of Directors of Lupin Digital Health Limited

Siddharth Pandya
Partner
Membership No. 135037

Nilesh D. Gupta
Director
DIN: 01734642

Rajeev Sibal
Managing Director
DIN: 06633944

Sunil Makharia
Director
DIN: 00064399

Hitanshu Shah
CFO

Amol Gadre
Company Secretary
ACS – 21774

Place: Mumbai
Dated: May 04, 2024

Place: Mumbai
Dated: May 04, 2024

LUPIN DIGITAL HEALTH LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2024

(₹ in million)

	Note	For the Current Year Ended 31.03.2024	For the Previous Year Ended 31.03.2023
INCOME:			
Revenue from Operations	22	4.5	0.2
Other Income	23	9.5	7.9
Total Income		14.0	8.1
EXPENSES:			
Purchases of Stock-in-Trade		1.2	11.9
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade [(Increase)/Decrease]	24	8.9	(10.1)
Employee Benefits Expense	25	219.5	102.8
Finance Costs	26	2.5	0.9
Depreciation and Amortisation Expense	2, 3, 4	100.1	26.1
Other Expenses	27	123.0	227.5
Total Expenses		455.2	359.2
Loss before Tax		(441.2)	(351.2)
Tax Expense	36		
- Current Tax		-	-
- Deferred Tax		(6.6)	6.6
- Tax expense for prior years		(0.3)	-
Total Tax Expense		(6.9)	6.6
Loss for the year		(434.3)	(357.8)
Other Comprehensive Loss			
A. (i) Items that will not be reclassified to profit or loss			
- Remeasurements of Defined Benefit Liability		(0.0)	-
(ii) Income tax relating to item that will not be reclassified to profit or loss			
B. (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Other Comprehensive Income for the year, net of tax		(0.0)	-
Total Comprehensive Loss for the year		(434.3)	(357.8)
Earnings per equity share of (in ₹)	34		
Basic		(8.41)	(9.78)
Diluted		(8.41)	(9.78)
Face Value of Equity Share (in ₹)		10.00	10.00

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.101248W/W -100022

For and on behalf of Board of Directors of Lupin Digital Health Limited

Siddharth Pandya
Partner
Membership No. 135037

Nilesh D. Gupta
Director
DIN: 01734642

Rajeev Sibal
Managing Director
DIN: 06633944

Sunil Makharia
Director
DIN: 00064399

Hitanshu Shah
CFO

Amol Gadre
Company Secretary
ACS – 21774

Place: Mumbai
Dated: May 04, 2024

Place: Mumbai
Dated: May 04, 2024

LUPIN DIGITAL HEALTH LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2024

(₹ in million)

	For the Current Year Ended 31.03.2024	For the Previous Year Ended 31.03.2023
A. Cash Flow from Operating Activities		
Profit / (Loss) before Tax	(441.2)	(351.2)
Adjustments for:		
Depreciation, Amortisation and Impairment Expense	100.1	26.1
Finance Costs	2.5	0.9
Interest on Deposits with Banks and Others	(3.2)	(7.9)
Interest on Income Tax Refund	(0.0)	-
Net gain on Sale of Current Investments	(2.7)	-
MTM on Short Term Investment	(3.2)	-
Share Based Payments Expense	7.5	5.6
Operating Cash Flows before Working Capital Changes	(340.3)	(326.5)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	8.8	(10.1)
Trade Receivables	(0.1)	(0.0)
Other Current Assets	66.2	18.5
Other Non Current Assets	(3.0)	-
Other Current Financial Assets	(1.7)	(0.5)
Other Non Current Financial Assets	(143.2)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(84.5)	17.0
Other Current Financial liabilities	19.4	2.0
Other Non-Current Financial Liabilities	0.2	0.1
Current Provisions	0.6	0.0
Non-Current Provisions	3.3	2.8
Other Current liabilities	(3.8)	(10.8)
Cash Generated from Operations	(478.0)	(307.5)
Net Income tax (paid) / refund	0.8	(0.5)
Net Cash Flow generated from / (used in) Operating Activities	(477.1)	(308.0)
B. Cash Flow from Investing Activities		
Payment towards intangible assets under development	-	-
Capital expenditure on Property, Plant and Equipment, including capital advances	(150.6)	(175.2)
Investment in Mutual Funds	(99.4)	0.0
Investment in fixed deposits	226.2	(226.2)
Interest on Deposits with Banks and others	3.2	7.9
Net Cash Flow generated from / (used in) Investing Activities	(20.7)	(393.5)
C. Cash Flow from Financing Activities		
Proceeds from issuance of equity shares	501.9	599.9
Payment of Lease liabilities	(13.9)	(3.1)
Finance Costs	(0.4)	(0.2)
Net Cash Flow generated from / (used in) Financing Activities	487.6	596.6
Net Increase / (Decrease) in Cash and Cash Equivalents	(10.2)	(104.9)
Cash and Cash Equivalents as at the beginning of the period	14.5	119.4
Cash and Cash Equivalents as at end of the period	4.3	14.5

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS - 7) "Statement of Cash Flow".
- Cash and cash equivalents comprises cash on hand, cash at bank and short term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and subject to insignificant risk of changes in value.
For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.
- Refer note 44 for Non Cash Changes in Cash Flows from Financing Activities.

In terms of our report attached
For **B S R & Co. LLP**
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Firm Registration No.101248W/W -100022

For and on behalf of Board of Directors of Lupin Digital Health Limited

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CFO

Amol Gadre
Company Secretary
ACS – 21774

Place: Mumbai
Dated: May 04, 2024

Place: Mumbai
Dated: May 04, 2024

LUPIN DIGITAL HEALTH LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital (Refer Note 15)

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Balance at the beginning of the reporting year	44,582,500	445.8	28,010,000	280.1
Changes in equity share capital during the year	11,950,000	119.5	16,572,500	165.7
Balance at the end of the reporting year	56,532,500	565.3	44,582,500	445.8

B. Other Equity

(₹ in million)

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income		Total Other Equity
	Securities Premium	Employees Stock Options Outstanding	Retained Earnings	Effective portion of Cash Flow Hedges	Remeasurement of the net Defined Benefit Plans	
Balance as at 31.03.2022	120.0	-	(166.1)	-	-	(46.1)
Loss for the year	-	-	(357.8)	-	-	(357.8)
Issue of Equity Shares	434.2	-	-	-	-	434.2
Exercised / Ammortized during the year	-	5.6	-	-	-	5.6
Balance as at 31.03.2023	554.2	5.6	(523.9)	-	-	35.9
Loss for the year	-	-	(434.3)	-	0.0	(434.3)
Issue of equity shares	382.4	-	-	-	-	382.4
Exercised / Ammortized during the year	-	7.5	-	-	-	7.5
Balance as at 31.03.2024	936.6	13.1	(958.2)	-	0.0	(8.5)

Nature of Reserves

a) Securities Premium

Securities Premium Account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

b) Employees Stock Options Outstanding

The Company has employee stock options schemes under which the option to subscribe for the company's shares have been granted to certain employees and directors. This is used to recognize the value of equity-settled share-based payments provided to the employees as part of their remuneration.

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.101248W/W -100022

For and on behalf of Board of Directors of Lupin Digital Health Limited

Siddharth Pandya
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CFO

Amol Gadre
Company Secretary
ACS – 21774

Place: Mumbai
Dated: May 04, 2024

Place: Mumbai
Dated: May 04, 2024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1A. OVERVIEW:

Lupin Digital Health Limited (the 'Company') was incorporated under the Companies Act, 2013 (the "Act"), on 21st May, 2021 having CIN U74999MH2021PLC360783. The Company is a Wholly Owned Subsidiary of Lupin Limited (the "Holding Company").

Lupin Digital Health Limited is in the business of providing healthcare services in the digital space. It has been incorporated with the intent of setting up a digital therapeutics platform for doctor and patients focusing on the chronic therapy areas. The platform will use smart, connected solutions to improve clinical outcomes and deliver superior value to both patients and doctor

The Company is a public limited company incorporated and domiciled in India. The address of its registered office is Kalpataru Inspire, 3rd floor, Western Express Highway, Santacruz (East), Mumbai 400055.

1B. MATERIAL ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Financial Statements:

Basis of preparation

- i) These financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These financial statements were authorized for issue by the Company's Board of Directors on May 04, 2024.

The financial statements are presented in Indian Rupees rounded off to the nearest millions, except where mentioned otherwise. The amount in zero represents amount less than ₹ 100,000.

Going Concern

- ii) As at March 31, 2024, the Company's paid up share capital is ₹ 565.3 million and the Company has incurred a loss of ₹ 434.3 million during the year and has net current assets of ₹ 30.6 million as at 31 March 2024. The company has negative operating cash flow during the year amounting to ₹ 477.1 million.

The above events/conditions cast doubt on entity's ability to continue as a going concern. However, these events/conditions are mitigated as follows:

Company has an unconditional financial support from the holding company in order to meet all its liabilities as and when they fall due for payment, for a period of not less than 12 months from the approval of these financial statements.

Based on the above mitigating factors, material uncertainty relating to events/conditions that cast doubt on entity's ability to continue as going concern does not exist. Accordingly, the financial statements have been prepared on a going concern basis.

Functional and Presentation Currency

- iii) These financial statements are presented in Indian rupees, which is the functional currency of the Company.

Basis of measurement

- iv) These financial statements are prepared under the historical cost convention unless otherwise indicated.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Use of Estimates and Judgments

- v) The preparation of the financial statements in conformity with Ind AS 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 year. 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. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments made in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following accounting policies.

- Impairment of non-financial assets (Refer note d)
- Impairment of financial assets (Refer note e)

b) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incur either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in statement of profit and loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The cost of the item of property, plant and equipment is recognized as an asset if, and only if it is probable that the future economic benefits associated with the expenditure/item will flow to the Group and cost of the item can be measured reliably

II. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

III. Derecognition of Property, Plant and Equipment

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

IV. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment of the Company has been provided on the straight-line method as per the useful life which align to those prescribed in Schedule II to the Act except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on independent technical evaluation and management's assessment thereof, taking into account the nature of

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Particulars	Estimated Useful Life
Office Equipment (Desktop and Laptop)	4 years

c) Intangible assets:

I. Recognition and Measurement:

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Expenditure on research and development eligible for capitalization is carried as Intangible assets under development where such assets are not yet ready for their intended use.

II. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

III. Derecognition of Intangible Assets

Intangible assets are de-recognized either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the consolidated profit or loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of de-recognition.

IV. Amortization

Intangible assets (Software) are amortized over their estimated useful life on Straight Line Method over a period of 5 years.

d) Impairment of non-financial assets:

The carrying values of property, plant and equipment and Intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- i) an intangible asset that is not yet available for use; and
- ii) an intangible asset that is having indefinite useful life.

If the carrying amount of the Property, Plant and Equipment and Intangible assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognized.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

e) Financial Instruments:

I. Financial Assets

Classification

On initial recognition the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets except trade receivable are recognized initially at fair value plus, in case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Company's trade receivables that do not contain a significant financial component are measured at transaction price under Ind AS 115 "Revenue from Contracts with Customers". Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - i) the Company has transferred substantially all the risks and rewards of the asset, or
 - ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- ii) trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. *Financial Liabilities*

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (loans, borrowings and payables) or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities at fair value through profit or loss
- ii) Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

III. Measurement

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

- (a) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- (b) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameter for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- (c) Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

f) Income tax:

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous year. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognized amounts; and
- ii) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

g) Inventories:

Inventories of all procured materials, stock-in-trade, finished goods and work-in-progress are valued at the lower of cost (on moving weighted average basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

h) Revenue Recognition:

Service income

Revenue primarily comprises providing healthcare services in digital space. The Subscription fee charged to customer includes supply of devices for rendering digital therapeutics. Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their relative fair values. Revenue is recognised for respective component either at the point in time or over time on satisfaction of performance obligation.

Revenue from rendering services is measured at the transaction price which is consideration received or receivable, net of returns, Goods and Service Tax (GST) and applicable trade discounts, allowances and chargeback. Revenue is recognised over the period of services on systematic basis when the Company satisfies performance obligations by transferring the promised services to its customers.

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognized as revenue when the Company performs its obligation under the contract.

Digital Healthcare service is the only principal activity and reportable segment from which the Company generates its revenue.

Interest Income

Interest Income is recognised with reference to the Effective Interest Rate method.

i) Employee Benefits:

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided and the Company will have no legal or constructive obligation to pay further amounts. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is measured on the basis of a periodical independent actuarial valuation using the projected unit credit method. Remeasurement are recognized in Statement of Profit and Loss in the period in which they arise.

Other Benefit Plans

Liability in respect of compensated absences becoming due or expected to be availed within one year from the reporting date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the reporting date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit or loss and are not deferred.

j) Share-based payment transactions:

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in Other Equity under "Employee Stock Options

Outstanding Reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest.

Cash-settled Transactions: The cost of cash-settled transactions is measured initially at fair value at the grant date using a Binomial Option Pricing Model. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognized in employee benefits expense. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

k) Leases:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

i) Right of Use Assets

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.

ii) Lease Liabilities

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease,

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

iii) **Short-term lease and leases of low value assets**

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

l) Provisions and Contingent Liabilities:

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. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for:

- i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

m) Cash and Cash equivalents:

Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of deposit), current investments that are convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

n) Earnings per share:

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

o) Current vs Non Current:

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1C. RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time which are applicable effective 1st April 2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Office Equipment	Total
Gross Carrying Value		
As at 01.04.2022	-	-
Additions	7.5	7.5
Disposals	-	-
As at 31.03.2023	7.5	7.5
Additions	5.5	5.5
Disposals	0.3	0.3
As at 31.03.2024	12.7	12.7
Accumulated Depreciation		
As at 01.04.2022	-	-
Depreciation charge for the year	0.6	0.6
Disposals	-	-
As at 31.03.2023	0.6	0.6
Depreciation charge for the year	2.7	2.7
Disposals	0.1	0.1
As at 31.03.2024	3.2	3.3
Net Carrying Value		
As at 31.03.2024	9.4	9.4
As at 31.03.2023	6.9	6.9

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	Computer Software	Total
Gross Carrying Value		
As at 01.04.2022	-	-
Additions	333.1	333.1
Disposals	-	-
As at 31.03.2023	333.1	333.1
Total	-	-
Additions	125.9	125.9
Disposals	-	-
As at 31.03.2024	459.0	459.0
Accumulated Amortisation		
As at 01.04.2022	-	-
Amortisation charge for the year	22.1	22.1
Disposals	-	-
As at 31.03.2023	22.1	22.1
Amortisation charge for the year	84.7	84.7
Disposals	-	-
As at 31.03.2024	106.8	106.8
Net Carrying Value		
As at 31.03.2024	352.2	352.2
As at 31.03.2023	311.0	311.0

4. RIGHT-OF-USE-ASSETS

(₹ in million)

Particulars	Vehicles	Building	Total
Gross Carrying Value			
As at 01.04.2022	-	-	-
Additions	13.6	17.4	31.0
Disposals	-	-	-
As at 31.03.2023	13.6	17.4	31.0
Additions	2.4	4.4	6.8
Disposals	1.9	-	1.9
As at 31.03.2024	14.1	21.8	35.9
Accumulated Depreciation :			
As at 01.04.2022	-	-	-
Depreciation charge for the year	2.1	1.3	3.4
Disposals	-	-	-
As at 31.03.2023	2.1	1.3	3.4
Depreciation charge for the year	5.1	7.5	12.6
Disposals	1.0	-	1.0
As at 31.03.2024	6.2	8.8	15.0
Net Carrying Value			
As at 31.03.2024	7.9	13.0	20.9
As at 31.03.2023	11.5	16.1	27.6

5. INTANGIBLE ASSETS UNDER DEVELOPMENT (IAUD)

(₹ in million)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	78.0	155.9
Additions during the year	61.3	255.2
Capitalised during the year	(125.9)	(333.1)
Closing Balance	13.4	78.0

Refer Note No. 48 for ageing of IAUD

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in million)

	As at 31.03.2024	As at 31.03.2023
6. OTHER NON-CURRENT FINANCIAL ASSETS		
Security Deposits		
- With Related Parties (Refer Note No. 43(c))	3.0	-
Total	3.0	-
7. OTHER NON CURRENT ASSETS		
Balances with Government Authorities (GST)	143.2	-
Total	143.2	-
8. INVENTORIES		
(Valued at lower of cost or net realisable value)		
Stock-in-Trade	1.2	10.1
Total	1.2	10.1
During the year, the company recorded inventory write-downs of ₹ 6.7 million (previous year ₹ 1.5 million). These adjustments were included in changes in inventories.		
9. CURRENT INVESTMENTS		
- Measured at Fair value through Profit & Loss		
Unquoted		
In Mutual Funds	105.3	-
Total	105.3	-
a) Aggregate amount of Unquoted Investments	105.3	-
b) Unrealised Loss on Mutual Fund Investments (net)	-	-
10. TRADE RECEIVABLES		
Unsecured		
- Considered Good	0.1	0.0
	0.1	0.0
Less : Allowances for credit losses	-	-
Total	0.1	0.0
Refer note no 46 for Trade Receivable ageing [There are no other trade receivables which have significant increase in credit risk. Refer note 41 for information about credit risk and market risk of trade receivables]		
11. CASH AND CASH EQUIVALENTS		
Cash on hand	0.0	-
Bank Balances		
- In Current Accounts	4.3	14.5
Total	4.3	14.5
12. OTHER BANK BALANCES		
Bank Deposits with original maturity of more than 3 months but less than 12 months	-	226.2
Total	-	226.2
13. OTHER CURRENT FINANCIAL ASSETS		
Receivables from Related Parties	-	0.5
Security Deposits	2.2	-
Total	2.2	0.5
14. OTHER CURRENT ASSETS		
Advance to Vendors - Considered Good	2.6	0.8
Prepaid Expenses	1.5	3.0
Advance to Employees		
-Considered Good	0.0	0.2
-Credit Impaired	1.0	-
	1.0	0.2
Less: Impairment Allowances for Credit Impaired	(1.0)	-
	0.0	0.2
Balances with Government Authorities (GST)	13.6	80.0
Total	17.8	84.0

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15. EQUITY SHARE CAPITAL

a) Share Capital

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 10 each	100,000,000	1,000.0	100,000,000	1,000.0
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid (All the above shares are held by Lupin Limited, the Holding Company and its Nominees)	56,532,500	565.3	44,582,500	445.8
Total	56,532,500	565.3	44,582,500	445.8

b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	44,582,500	445.8	28,010,000	280.1
Equity Shares Issued during the year	11,950,000	119.5	16,572,500	165.7
Equity Shares outstanding at the end of the year	56,532,500	565.3	44,582,500	445.8

c) Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs. 10 per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the shareholders of Equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

d) More than 5% shareholding in the Company by each shareholder

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lupin Limited & its nominees	56,532,500	100.0	44,582,500	100.0

e) Shares held by promoters at the end of the year

Name of Shareholder	No. of Shares held		No. of Shares held		% change
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Lupin Limited & its nominees	56,532,500	100.0	44,582,500	100.0	-

f) Shares reserved for issuance under Stock Option Plans of the Company

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of shares	₹ in million	No. of shares	₹ in million
Employees Stock Option Plan 2022	1,849,890	18.5	1,709,840	17.1

g) Aggregate number of shares issued pursuant to Stock Option Plans of the Company since incorporation

Equity shares granted under ESOP plan of the Company 950,110 (Previous Year - 1,090,160)

h) No shares have been allotted without payment being received in cash or by way of bonus shares since inception.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in million)

	As at 31.03.2024	As at 31.03.2023
16. OTHER NON-CURRENT FINANCIAL LIABILITIES		
Employee Benefits Payable	0.3	0.1
Total	0.3	0.1
17. NON-CURRENT PROVISIONS		
Provisions for Employee Benefits		
Gratuity (Refer Note 40(ii))	2.6	1.0
Compensated Absences	3.5	1.8
Total	6.1	2.8
18. TRADE PAYABLES		
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 38)	0.6	1.5
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	38.9	122.5
Total	39.5	124.0
Refer note no 47 for Trade Payable ageing.		
19. OTHER CURRENT FINANCIAL LIABILITIES		
Payable for Capital Expenditure	1.7	85.1
Employee Benefits Payables	37.8	18.4
Total	39.5	103.5
20. OTHER CURRENT LIABILITIES		
Statutory Dues Payables	7.3	12.1
Advances from customers	0.0	-
Deferred Revenue (Refer Note 31d))	1.1	0.1
Sales Return	0.0	0.0
Total	8.4	12.2
21. CURRENT PROVISIONS		
Provisions for Employee Benefits		
Gratuity (Refer Note 40(ii))	0.0	0.0
Compensated Absences	1.0	0.5
Total	1.0	0.5

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in million)

	For the Current Year Ended 31.03.2024	For the Previous Year Ended 31.03.2023
22. REVENUE FROM OPERATIONS		
Sale (Refer Note 31)		
Subscription Fees	4.5	0.2
	<u>4.5</u>	<u>0.2</u>
23. OTHER INCOME		
Income on Financial Assets carried at amortised cost		
Interest on fixed deposits with banks	3.2	7.7
Interest on Inter-corporate Loan	-	0.2
Income on Financial Assets carried at fair value through profit or loss		
Net gain on Sale of Mutual Fund Investments	2.7	-
Unrealised Gain on Mutual Fund Investments (net)	3.2	-
Miscellaneous Income (including Interest on Income Tax Refund)	0.4	0.0
Total	<u>9.5</u>	<u>7.9</u>
24. CHANGES IN INVENTORIES		
Opening Stock: Stock-in-Trade	10.1	-
Less: Closing Stock: Stock-in-Trade	1.2	10.1
Changes in Inventories: Stock-in-Trade	8.9	(10.1)
Total	<u>8.9</u>	<u>(10.1)</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS		(₹ in million)	
	For the Current Year Ended 31.03.2024	For the Previous Year Ended 31.03.2023	
25. EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages	191.1	88.8	
Contribution to Provident and Other Funds	15.7	6.0	
Retirement Benefits Expense	0.4	-	
Share Based Payments Expense (Refer Note 39)	7.8	5.7	
Staff Welfare Expenses	4.5	2.3	
Total	219.5	102.8	
26. FINANCE COSTS			
Interest on defined benefit liabilities (net)	0.2	-	
Interest on Lease Obligation (Refer Note 35)	1.9	0.7	
Other Borrowing Costs	0.4	0.2	
Total	2.5	0.9	
27. OTHER EXPENSES			
Repairs and Maintenance			
- Others	30.6	15.4	
Lease Rent and Hire Charges	0.1	0.1	
Rates and Taxes	1.6	0.3	
Insurance	4.3	1.6	
Power and Fuel	0.4	0.1	
Contract Labour Charges	5.5	0.2	
Selling and Promotion Expenses	25.9	19.5	
Freight and Forwarding	0.9	0.2	
Postage and Telephone Expenses	0.9	0.3	
Travelling and Conveyance	20.2	6.5	
Legal and Professional Charges	19.6	166.3	
Audit Fees (Refer Note 33)	1.7	0.5	
Clinical and Analytical Charges	3.8	3.5	
Loss on Sale / Discard of Fixed Assets (net)	0.1	-	
Bad Trade Receivables / Advances / Deposits written off	0.1	-	
Directors Sitting Fees	0.0	0.1	
Recruitment Expenses	5.4	11.6	
Net Loss on Foreign Currency Transactions	0.0	-	
Miscellaneous Expenses	1.9	1.5	
Total	123.0	227.5	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 1.1 million (previous year ₹ 9.7 million) and other commitments ₹ 19.8 million (previous year ₹ 16.7 million)

29 Contingent Liabilities:

Contingent Liabilities as on 31.03.2024 is ₹ Nil (Previous Year ₹ Nil)

30 Preoperative Expenses:

Expenditure incurred prior to commencement of commercial usage included in Intangible assets under development represent direct attributable expenditure for these assets. The same will be capitalised on completion of projects and commencement of commercial operations. The details of the pre-operative expenses are:

Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Opening Balance	78.0	155.9
Incurring during the year:		
Salaries, allowances and contribution to fund	48.3	2.6
Legal and Professional Charges	0.4	179.6
Others	12.5	73.0
Total Incurred during the year	139.2	411.2
Less: Capitalised during the year	(125.8)	(333.2)
Closing Balance	13.4	78.0

31 Revenue (Ind AS 115) :

- a) The operations of the Company are limited to only one segment viz. providing healthcare services in the digital space. Revenue from sale of devices is recognized upfront upon collection of payment. Revenue from subscription fees is recognised over the service period. Payment terms with customers vary depending upon the contractual terms of each contract. There is no significant financing component as the credit period provided by the Company is not significant. Variable components such as discounts, sales returns etc. continues to be recognised as deductions from revenue in compliance with Ind AS 115.

- b) Disaggregation of revenue:

Nature of segment	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
(₹ in million)		
A. Service line:		
Subscription Fees	4.5	0.2
Total revenue from contracts with customers	4.5	0.2
B. Primary geographical market:		
- India	4.5	0.2
Total revenue from contracts with customers	4.5	0.2
C. Timing of the revenue recognition:		
- Services transferred at a point in time	1.8	0.2
- Services transferred over a period of time	2.7	0.0
Total revenue from contracts with customers	4.5	0.2

- c) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
(₹ in million)		
Revenue as per contracted price	4.5	0.2
Adjusted for:		
- Sales return	0.0	0.0
Total revenue from contracts with customers	4.5	0.2

- d) Reconciliation of revenue recognised from Contract liability

Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
(₹ in million)		
Balance in contract liability at the beginning of the year that was not recognized as revenue	0.1	-
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	1.1	0.1
Less: Decreases due to cash paid during the year upon termination of contracts	0.0	-
Less: Revenue recognized during the period	0.1	-
Balance in contract liability at the end of the year that is not recognized as revenue	1.1	0.1

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32 Segment Reporting:

The Company operates only in one segment viz. Digital Healthcare services in India

33 Auditors Remuneration:

(₹ in million)

Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Payment to Auditors*:		
a) As Auditors	1.6	0.5
c) Reimbursement of out-of-pocket expenses	0.1	0.0
Total	1.7	0.5

* Excluding GST

34 Basic and Diluted Earnings per Share is calculated as under:

Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Profit/(Loss) attributable to equity shareholders (₹ in million)	(434.3)	(357.8)
Weighted average number of Equity Shares:		
- Basic	51,628,128	36,600,021
Add : Dilutive effect of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	950,110	655,124
- Diluted	52,578,238	37,255,145
Earnings per Share (in ₹)		
- Basic	(8.41)	(9.78)
- Diluted	(8.41)	(9.78)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35 Leases :

The Company leases building, vehicles and office equipment. The leases typically run for the period between 12 months to 60 months with an option to renew the lease after that date.

Information about leases for which the Company is lessee is presented below :

i) Lease liabilities

(₹ in million)			
Particulars	Buildings	Vehicles	Total
Balance as at 01.04.2022	-	-	-
Addition	17.4	13.6	31.0
Accredition of interest (refer note 26)	0.3	0.4	0.7
Payments	(1.5)	(2.3)	(3.8)
Balance as at 01.04.2023	16.2	11.7	27.9
Addition	4.4	2.4	6.8
Deletion	-	(1.0)	(1.0)
Accredition of interest (refer note 26)	1.1	0.8	1.9
Payments	(8.2)	(5.6)	(13.9)
Balance as at 31.03.2024	13.4	8.3	21.7
Current	7.7	4.1	11.8
Non-current	5.7	4.2	9.9

The maturity analysis of the lease liability is included in Note no.iv - Financial risk management objectives and policies under maturities of financial liabilities.

ii) Amounts recognised in Profit and Loss

(₹ in million)		
Particulars	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Depreciation expense of right-of-use assets (Refer Note No. 4)	12.6	3.4
Interest expense on Lease Liabilities (refer note 26)	1.9	0.7
Total	14.5	4.1

iii) Financial risk management

Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity analysis based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in million)				
Contractual maturities of financial liabilities	Less than 1 Year	1 to 5 Year	More than 5 Year	Total
As at 31.03.2024				
Lease liabilities	12.9	10.4	-	23.3
As at 31.03.2023				
Lease liabilities	11.3	19.5	-	30.8

iv) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at 31.03.2024

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

36 Income taxes:

a) Tax expense recognised in statement of profit and loss:

Particulars	(₹ in million)	
	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Current Tax Expense for the year	-	-
Excess Tax provision of prior years	(0.3)	-
Net Current Tax Expense	(0.3)	-
Deferred income tax liability/(asset), net	(6.6)	6.6
Tax expense for the year	(6.9)	6.6

b) Reconciliation of tax expense/(benefit) and the accounting profit multiplied by India's domestic tax rate:

Particulars	(₹ in million)	
	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Profit/(Loss) before tax	(441.2)	(351.2)
Tax using the Company's domestic tax rate (31.03.2024: 25.17%, 31.03. 2023: 25.17%)	(111.1)	(88.4)
Tax effect of:		
Disallowance of Expenses	1.0	24.6
Current year losses/deductible expenditure for which no deferred tax assets have been recognised (net of reversals)	103.3	70.3
Current and Deferred Tax expense as per note 36(a)	(6.9)	6.6

c) Movement in deferred tax balances

Particulars	Net Balance April 1, 2023	Recognised in Profit or Loss	Recognised in Retained Earnings / OCI	Net Balance March 31, 2024	Deferred Tax Asset	Deferred Tax Liability
Property plant and equipment	(7.4)	7.4	-	-	-	-
Disallowance under section 43B	0.7	(0.7)	-	-	-	-
Other Items	0.2	(0.2)	-	-	-	-
Net Deferred Tax Assets / (Liabilities)	(6.6)	6.6	-	-	-	-

Particulars	Net Balance April 1, 2022	Recognised in Profit or Loss	Recognised in Retained Earnings / OCI	Net Balance March 31, 2023	Deferred Tax Asset	Deferred Tax Liability
Property plant and equipment	-	(7.4)	-	(7.4)	-	(7.4)
Disallowance under section 43B	-	0.7	-	0.7	0.7	-
Other Items	-	0.2	-	0.2	0.2	-
Net Deferred Tax Assets / (Liabilities)	-	(6.6)	-	(6.6)	0.8	(7.4)

37 Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the Company.

38 Outstanding Dues to Micro, Small and Medium Enterprises (MSME)

The information regarding MSME has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	(₹ in million)	
	As at 31.03.2024	As at 31.03.2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.6	1.5
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

39 Share-based payment arrangements :

(i) Employee stock options – equity settled

The Company implemented “Lupin Digital Health Limited Employees Stock Option Plan 2022” (LDHL ESOP 2022), as approved by the Board of Directors (the Committee) of the Company.

The Committee determines which eligible employees will receive options, the number of options to be granted, the vesting period and the exercise period. The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 10 each. The options issued under the above schemes vest in a phased manner after completion of the minimum period of two years up to five years with an exercise period of ten years from the respective grant dates.

Par Value Options (comprising of options granted under LDHL ESOP 2022)

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Current Year
				Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	1,090,160	10.0	10.0	2.9
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	140,050	10.0	10.0	-
Less: Options exercised during the year	-	-	-	-
Options outstanding at the year end	950,110	10.0	10.0	1.9

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Previous Year
				Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	-	-	-	-
Add: Options granted during the year	1,090,160	10.0	10.0	4.0
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	-	-	-	-
Options outstanding at the year end	1,090,160	10.0	10.0	2.9

No options were granted under Category A during the years ended March 31, 2024.

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes & Merton option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

Share price: The fair value of equity shares on the date of grant has been considered for valuing the options granted.

Exercise Price: The Exercise Price is the price payable by the employee for exercising the ESOP granted in pursuance of the terms of the Plan. As per the ESOP terms provided by the Company, the exercise price is INR 10.0 per share for all the grants.

Expected Volatility: Expected Volatility is calculated on the annualized standard deviation for the historical period corresponding to the expected life of the option.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for two years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management’s best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company’s control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The weighted average inputs used in computing the fair value of options granted were as follows:

Weighted average information – 2023-24

Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
14.07.2022	10	7.00%	6.6	18.53%	0.00%	33.00	26.70
01.08.2022	10	7.00%	6.6	18.45%	0.00%	33.00	26.70
23.08.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
04.11.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
25.11.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
06.03.2023	10	7.10%	6.8	18.05%	0.00%	40.00	33.80

Weighted average information – 2022-23

Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
14.07.2022	10	7.00%	6.6	18.53%	0.00%	33.00	26.70
01.08.2022	10	7.00%	6.6	18.45%	0.00%	33.00	26.70
23.08.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
04.11.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
25.11.2022	10	7.00%	6.7	18.45%	0.00%	33.00	26.70
06.03.2023	10	7.10%	6.8	18.05%	0.00%	40.00	33.80

(ii) Employee stock options – Cash settled

The cost of cash-settled transactions is measured initially at fair value at the grant date using a Binomial Option Pricing Model. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

Employee benefit expense includes cash settled employee stock options issued to certain employees of the Company by the Holding Company amounting to ₹ 0.3 million (previous year ₹ 0.1 million).

Effect of cash settled share-based payment transactions on the Balance Sheet

Particular	(₹ in million)	
	As at 31.03.2024	As at 31.03.2023
Other non-current financial liabilities	0.2	0.1
Other current financial liabilities	0.2	0.1
Total carrying amount of liabilities	0.4	0.2

Effect of share based payment transactions on the Statement of Profit and Loss

Particular	(₹ in million)	
	For the Current Year ended 31.03.2024	For the Previous Year ended 31.03.2023
Equity settled share based payments	7.5	5.6
Cash settled share based payments	0.3	0.1
Total expense on share based payments	7.8	5.7

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

40 Post-Employment Benefits:

(i) Defined Contribution Plans:

The Company makes contributions towards provident and pension fund and to a defined contribution retirement benefit plan for qualifying employees.

The Company recognised ₹ 12.7 million (previous year ₹ 4.8 million) for provident and pension fund contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

The Company's current gratuity plan is unfunded and the liability is determined based on actuarial valuation. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31.03.2024. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date.

Sr. No.	Particulars	(₹ in million)			
		Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
I)	Change in present value of obligation ('PVO') - defined benefit obligation:				
	PVO at the beginning of the year	0.8	-	0.2	-
	Current service cost	2.2	0.8	0.4	0.2
	Past service cost	-	-	-	-
	Transfer in	-	-	-	-
	Interest cost	0.1	-	0.0	-
	Actuarial loss / (gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	0.2	-	0.0	-
	- Due to experience adjustment	(0.1)	-	(0.1)	-
	- Due to Others	-	-	-	-
	Benefits paid	-	-	-	-
	PVO at the end of the year	3.1	0.8	0.6	0.2
II)	Change in fair value of plan assets:				
	Fair value of plan assets at the beginning of the year	-	-	-	-
	Expected return on plan assets	-	-	-	-
	Interest Income	0.1	-	-	-
	Contributions by the employer	1.0	-	-	-
	Benefits paid	-	-	-	-
	Fair value of plan assets at the end of the year	1.1	-	-	-
III)	Reconciliation of PVO and fair value of plan assets:				
	PVO at the end of the year	3.1	0.8	0.6	0.2
	Fair Value of plan assets at the end of the year	1.1	-	-	-
	Funded status	(2.1)	(0.8)	(0.6)	(0.2)
	Unrecognised actuarial loss/(gain)	-	-	-	-
	Net liability recognised in the Balance Sheet	(2.1)	(0.8)	(0.6)	(0.2)
IV)	Expense recognised in the Statement of Profit and Loss:				
	Current service cost	2.2	0.8	0.4	0.2
	Interest cost	0.1	-	0.0	-
	Total expense recognised in the Statement of Profit and Loss	2.2	0.8	0.4	0.2
V)	Other Comprehensive Income				
	Actuarial loss / (gain)				
	- Due to demographic assumption	-	-	0.0	-
	- Due to finance assumption	0.2	-	(0.1)	-
	- Due to experience adjustment	(0.1)	-	-	-
	Return on plan assets excluding net interest	(0.1)	-	-	-
	Total amount recognised in OCI	0.0	-	(0.1)	-
VI)	Category of assets as at the end of the year:				
	Insurer Managed Funds (100%) (Fund is Managed by ICICI as per IRDA guidelines category-wise composition of the plan assets is not available)	100%	-	-	-
VII)	Actual return on the plan assets:	0.1	-	-	-

Sr. No.	Particulars	(₹ in million)			
		Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
VIII)	Assumptions used in accounting for the gratuity plan:				
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards			
	Discount rate (%)	7.2%	7.4%	7.2%	7.4%
	Salary escalation rate (%)	9.0 % for first three years and 6.0 % thereafter			
	Average Remaining Service (years)	27.06	25.78	27.06	25.78
	Employee Attrition Rate (%)				
	up to 5 years	15	15	15	15
	above 5 years	5	5	5	5
IX)	Estimate of amount of contribution in immediate next year	2.7	-	NA	NA

IV)	Expected future benefit payments	(₹ in million)	
		As at 31.03.2024	As at 31.03.2023
	1 year	0.0	0.0
	2 to 5 years	0.5	0.1
	6 to 10 years	1.6	0.5
	More than 10 years	7.5	2.6

The estimates of salary escalation considered in actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand in the employment market.

III) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below:

Gratuity	(₹ in million)			
	2023-2024		2022-2023	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	2.7	(3.6)	0.9	(1.1)
Future salary growth (1% movement)	3.5	(2.8)	1.1	(0.9)
Attrition rate (50% of attrition rates)	2.4	(3.9)	0.7	(1.4)
Mortality rate (10% of mortality rates)	3.1	(3.1)	1.0	(1.0)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

41 Financial Instruments :

Financial instruments – Fair values and risk management:

A. Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ in million)

As at 31.03.2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Current Investments	105.3	-	-	105.3	-	105.3	-	105.3
Trade Receivables	-	-	0.1	0.1	-	-	-	-
Cash and Cash Equivalents	-	-	4.3	4.3	-	-	-	-
Other Bank Balance	-	-	-	-	-	-	-	-
Other Non Current Financial Assets	-	-	3.0	3.0	-	-	-	-
Other Current Financial Assets	-	-	2.2	2.2	-	-	-	-
	105.3	-	9.6	114.8	-	105.3	-	105.3
Financial liabilities								
Lease Liabilities	-	-	21.7	21.7	-	-	-	-
Trade Payables	-	-	39.5	39.5	-	-	-	-
Other Non-Current Financial Liabilities	-	-	0.3	0.3	-	-	-	-
Other Current Financial Liabilities	-	-	39.5	39.5	-	-	-	-
	-	-	100.9	100.9	-	-	-	-

(₹ in million)

As at 31.03.2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Current Investments	-	-	-	-	-	-	-	-
Trade Receivables	-	-	0.0	0.0	-	-	-	-
Cash and Cash Equivalents	-	-	14.5	14.5	-	-	-	-
Other Bank Balance	-	-	226.2	226.2	-	-	-	-
Other Non Current Financial Assets	-	-	-	-	-	-	-	-
Other Current Financial Assets	-	-	0.5	0.5	-	-	-	-
	-	-	241.2	241.2	-	-	-	-
Financial liabilities								
Lease Liabilities	-	-	27.9	27.9	-	-	-	-
Trade Payables	-	-	124.0	124.0	-	-	-	-
Other Non-Current Financial Liabilities	-	-	0.1	0.1	-	-	-	-
Other Current Financial Liabilities	-	-	103.5	103.5	-	-	-	-
	-	-	255.5	255.5	-	-	-	-

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs: Not Applicable

C. Financial risk management:

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

i Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of ₹ 4.3 million (previous year ₹ 14.5 million). The cash and cash equivalents are held with banks.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Other financial assets

Other financial assets are neither past due nor impaired.

ii Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company invests its surplus funds in bank fixed deposit which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31.03.2024	Carrying Amount	Contractual Cash flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Lease Liabilities - Non Current	9.9	10.4	-	8.9	1.5	-
Lease Liabilities - Current	11.8	12.9	12.9	-	-	-
Other Non-Current Financial Liabilities	0.3	0.2	-	0.1	0.1	-
Trade Payables Current	39.5	39.5	39.5	-	-	-
Other Current Financial Liabilities	39.5	39.5	-	-	-	-
Total	100.9	102.5	91.9	9.0	1.6	-

(₹ in million)

As at 31.03.2023	Carrying Amount	Contractual Cash flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Lease Liabilities - Non Current	18.3	19.5	-	10.7	8.8	-
Lease Liabilities - Current	9.6	11.3	11.3	-	-	-
Other Non-Current Financial Liabilities	0.1	0.0	0.0	-	-	-
Trade Payables Current	124.0	124.0	124.0	-	-	-
Other Current Financial Liabilities	103.5	103.5	103.5	-	-	-
Total	255.5	258.3	238.8	10.7	8.8	-

(₹ in million)

iii Market risk:

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Company's exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

During the year the Company does not have any interest bearing borrowing nor is it exposed to foreign currency risks

42 Capital Management:

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents, other bank balances and current investments.

The Company's policy is to keep the ratio below 1.5. The Company does not have any debt as at 31.03.2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

43 Related Party Disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships -

Category I: Company whose control exist

Lupin Limited (Holding Company)

Category II: Fellow Subsidiary

Lupin Diagnostics Limited (Formerly known as Lupin Healthcare Limited)

Category II: Key Management Personnel (KMP) :

Mr. Nilesh D. Gupta	Director
Mr. Ramesh Swaminathan	Director
Mr. Rajeev Sibal	Managing Director
Mr. Hitanshu Shah	Chief Financial Officer
Mr. Sunil Makharia	Director
Mr. Amol Gadre	Company Secretary

B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2024	For the year ended 31.03.2023
1	Issuance of Equity Share Capital to Holding Company (including share premium of ₹ 382.4 million (Previous Year ₹ 434.2 million))	501.9	599.9
2	Short Term Loans given to Fellow Subsidiary	-	50.0
3	Repayment of Short Term Loans given to Fellow Subsidiary	-	50.0
4	Interest Income on short term Loans given to Fellow Subsidiary	-	0.2
5	Lease Security Deposits paid to Holding Company	3.0	-
6	Lease rent paid to Holding Company	6.0	1.5
7	Legal and Professional Charges paid to Holding Company	0.6	0.8
8	Clinical and Analytical Charges paid to Fellow Subsidiary	0.2	0.0
9	Expenses incurred on our behalf and other reimbursements to Fellow Subsidiary	-	0.0
10	Expenses incurred on our behalf and other reimbursements to Holding Company	21.5	4.4
11	Remuneration and ESOP expenses of KMPs	9.0	6.6
12	Sitting fees to directors	0.0	0.1
13	Sales to Holding Company	-	0.0

C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	As at 31.03.2024	As at 31.03.2023
1	Payable to Holding Company (Net off Receivables)	6.0	2.2
2	Security Deposit with Holding Company	3.0	0.0
3	Payable to Fellow Subsidiary	0.0	0.0

44 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

(₹ in million)

Particulars	01.04.2023	Cash flows	Non-Cash Changes			31.03.2024
			Interest Expense	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings	-	-	-	-	-	-
Current Borrowings	-	-	-	-	-	-
Lease liabilities (Refer Note 35)	27.9	(13.9)	7.7	-	-	21.7
Total Liabilities from financing activities	27.9	(13.9)	7.7	-	-	21.7

(₹ in million)

Particulars	01.04.2022	Cash flows	Non-Cash Changes			31.03.2023
			Interest Expense	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings	-	-	-	-	-	-
Current Borrowings	-	-	-	-	-	-
Lease liabilities (Refer Note 35)	-	(3.1)	31.0	-	-	27.9
Total Liabilities from financing activities	-	(3.1)	31.0	-	-	27.9

45 Subsequent Events:

The Company evaluates events or transactions that occur after the balance sheet date but prior to the issuance of financial statements and concluded that no subsequent events have occurred through May 04, 2024 that require adjustment to or disclosure in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

46 Trade receivable ageing

(₹ in million)

Particulars	Outstanding from due date of payment				
	Not due	Less than 6 months	6 months -1 year	1-2 Years	Total as at 31.03.2024
(i) Undisputed Trade receivables – considered good	0.0	0.1	-	-	0.1
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
	0.0	0.1	-	-	0.1
Allowance for credit loss					-
Total					0.1

(₹ in million)

Particulars	Outstanding from due date of payment				
	Not due	Less than 6 months	6 months -1 year	1-2 Years	Total as at 31.03.2023
(i) Undisputed Trade receivables – considered good	0.0	-	-	-	0.0
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
	0.0	-	-	-	0.0
Allowance for credit loss					-
Total					0.0

47 Trade payable ageing

(₹ in million)

Particulars	Outstanding from due date of payment			
	Not due	Less than 1 year	1-2 years	Total as at 31.03.2024
Outstanding dues of Micro and Small Enterprises	0.6	-	-	0.6
Outstanding dues of other than Micro and Small Enterprises	6.2	0.0	-	6.2
Disputed - Outstanding dues of Micro and Small Enterprises	-	-	-	-
Disputed - Outstanding dues of other than Micro and Small Enterprises	-	-	-	-
	6.8	0.0	-	6.8
Accrued Expenses				32.7
Total				39.5

(₹ in million)

Particulars	Outstanding from due date of payment			
	Not due	Less than 1 year	1-2 years	Total as at 31.03.2023
Outstanding dues of Micro and Small Enterprises	1.3	0.2	-	1.5
Outstanding dues of other than Micro and Small Enterprises	26.0	3.5	-	29.5
Disputed - Outstanding dues of Micro and Small Enterprises	-	-	-	-
Disputed - Outstanding dues of other than Micro and Small Enterprises	-	-	-	-
	27.3	3.7	-	31.0
Accrued Expenses				92.9
Total				124.0

48 Intangible assets under development (IAUD)

(a) Intangible assets under development (IAUD) ageing

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total as at 31.03.2024
Projects in progress	13.4	-	-	-	13.4
Projects temporarily suspended	-	-	-	-	-
Total	13.4	-	-	-	13.4

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total as at 31.03.2023
Projects in progress	78.0	-	-	-	78.0
Projects temporarily suspended	-	-	-	-	-
Total	78.0	-	-	-	78.0

There are no IAUD where completion is overdue or cost has exceeded as compared to its original plans as on 31.03.2024 and 31.03.2023

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

49 Financial Ratios

Ratios	Numerator	Denominator	Current Period	Previous Period	% of variances	Reason for Variances
Current Ratio	Total Current Asset	Total Current Liabilities	131%	134%	(2.7)	NA
Debt-Equity Ratio	Total Debt = Non Current Borrowings+ Current Borrowings + Current Portion of Non Current Borrowings	Total Equity Attributable to owners	NA	NA	NA	NA
Debt service coverage ratio	Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets	Debt service (Debt service =Interest & Lease Payments + Principal Repayments)	NA	NA	NA	NA
Return on equity ratio (ROE)	Net profit after taxes	Average Shareholder's Equity	-83.6%	-100.0%	(16.4)	NA
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.8	0.4	379.2	Increase in provisions for slow moving and near expiry inventory in FY 2023-24
Trade receivables turnover ratio	Total sales	closing Trade receivable	57.5	8.8	550.0	Increase in overall sales in FY2023-24 due to commercial operations in 12 months vs 4 months in FY2022-23
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	0.0	0.10	(67.3)	Reduction in purchases in FY2023-24 due to high level of opening inventories
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	0.1	0.0	5,873.1	Increase in overall sales in FY2023-24 due to commercial operations in 12 months vs 4 months in FY2022-23
Net profit ratio	Net Profit after Tax	Revenue from Operations	-9709%	-171353%	(94.3)	Increase in overall sales in FY2023-24 due to commercial operations in 12 months vs 4 months in FY2022-23
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)	-230.7%	-352.9%	(34.6)	The company is better capitalized in FY2023-24 due to multiple equity investments by Lupin Limited
Return on investment (ROI) Mutual Fund	Income generated from investment (A)	Average Investment (B)	11.2%	NA	-	ROI on mutual fund investments is within normal ranges. The company had no investments in mutual funds in FY2022-23 and was investing surplus funds in bank fixed deposits

50 Other Statutory Information

- (A) The Company has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended 31.03.2024
- (B) The Company has not traded or invested in Crypto currency or Virtual Currency
- (C) The Company does not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31.03.2024 and 31.03.2023
- (D) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period
- (E) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
- (F) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (G) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), other than in the ordinary course of business by the Company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Signature to note 1 to 50

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.101248W/W -100022

For and on behalf of Board of Directors of Lupin Digital Health Limited

Siddharth Pandya
Partner
Membership No. 135037

Nilesh D. Gupta
Director
DIN: 01734642

Rajeev Sibal
Managing Director
DIN: 06633944

Sunil Makharia
Director
DIN: 00064399

Hitanshu Shah
CFO

Amol Gadre
Company Secretary
ACS – 21774

Place: Mumbai
Dated: May 04, 2024

Place: Mumbai
Dated: May 04, 2024