

Reliance Digital Health Limited

**Financial Statements
2022-23**

INDEPENDENT AUDITOR'S REPORT

To the Members of Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited) (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, the statement of 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 Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report in the annual report for the year ended March 31, 2023, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash

flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) 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:

- i. The Company does not have any pending litigation which would impact its financial position in its financial statements.
- ii. The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) Based on the Representation provided by the management and to the best of their knowledge and belief, Other than disclosed in the notes to Account (Refer Note 2), no funds have been advanced or loaned or invested by the Company to or in any other persons or entities, including foreign entities, with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) Based on the Representation provided by the management and to the best of their knowledge and belief, no funds have been received by the Company from any other persons or entities, including foreign entities, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries : and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the Circumstances; nothing has come to our notice that has caused us to believe that the representations under clause iv(a) & iv(b) contain any material misstatement
- v. The Company has not declared or paid any dividend during the year, accordingly reporting under this clause is not applicable to the Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit Log) facility is applicable w.e.f. 01-04-2023 to the Company which is incorporated in India and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For D T S & Associates LLP
Chartered Accountants
(Registration No. 142412W/W100595)

Kundan Angre
Partner
Membership No.: 136433
UDIN: 23136433BGRPEF5932
Place: Mumbai
Date: April 14, 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited) on the financial statements for the year ended 31st March, 2023)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that-

- (i)
 - (a) (A) The Company does not have any property, plant and equipment and accordingly, the provisions of Clause (i)(a)(A) of paragraph 3 of the Order are not applicable to the company.
 - (B) The Company does not have intangible assets and accordingly, the provisions of Clause (i)(a)(B) of paragraph 3 of the Order are not applicable to the company.
 - (b) The Company does not have any property, plant and equipment and accordingly, the provisions of Clause (i)(b) of paragraph 3 of the Order are not applicable to the company.
 - (c) The Company does not have any immovable property and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
 - (d) The Company does not have any property, plant and equipment or intangible assets and accordingly, the provisions of Clause (i)(d) of paragraph 3 of the Order are not applicable to the company.
 - (e) No proceedings have been initiated or pending against the Company as on March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
 - (a) The Company does not have any inventories and accordingly, the provisions of Clause (ii)(a) of paragraph 3 of the Order are not applicable to the Company.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital limits from banks and financial institutions and accordingly, reporting under Clause (ii)(b) of paragraph 3 of the Order is not applicable to the Company.
- (iii) On the basis of examination of records of the company and information and explanation given to us, during the year, the Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. In view thereof, reporting under clause 3(iii)(a), (c), (d), (e) and (f) of the Order is not applicable. During the year the Company has made an investment which, in our opinion, prima facie, is not prejudicial to the Company’s Interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not directly or indirectly advanced loan to the person covered under section 185 of the Act or given any guarantees or securities in connection with the loan taken by such persons and has complied with provisions of section 186 of the Act, in respect of investment made during the year. The Company has not given any loan, guarantee or security during the year on which the provision of Section 186 of the Act applies.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services tax, Duty of customs, Duty of excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service tax, Duty of customs, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, as on March 31, 2023, for a period of more than six months from the date they became payable.

(b) There were no dues of Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, as applicable, which have not been deposited on account of any dispute.

- (viii) According to the information and explanations given to us, there is no transaction which has not been recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) Since there are no loans taken by the company, reporting under clause ix (a) is not applicable to the Company
- (b) According to the information and explanations given to us, the Company is not declared willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations provided by the management, the Company has not raised monies by way of term loans and accordingly the provisions of Clause (ix)(c) of paragraph 3 of the Order are not applicable to the Company.
- (d) In our opinion and according to the information and explanations provided by the management, the company has not raised funds for short term purposes and accordingly the provisions of Clause (ix)(d) of paragraph 3 of the Order are not applicable to the Company.
- (e) In our opinion and according to the information and explanations provided by the management, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations provided by the management, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

- (x) (a) In our opinion and according to the information and explanations provided by the management, the Company has not raised any money by way of initial public offer or further public offer (including for Debt instruments) during the year and hence, reporting requirements under this clause of the Order are not applicable to the Company and, not Commented.
- (b) According to the information and explanations provided to us and on an overall examination of the balance sheet, The Company has made private placement of shares during the year. Further the Company has made allotment of optionally fully convertible debentures during the year on a right basis. The requirements of Section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year
- (b) To the best of our knowledge, no report under sub-section (12) of the section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) (a) According to the information and explanations provided to us, the provisions. The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

- (c) According to the information and explanations provided to us, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company and hence not commented upon.
- (d) According to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses in the current financial year covered by our audit. There were no cash losses in the immediately preceding financial year.
- (xviii) There has not been any resignation of the Statutory Auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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 Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (xxi) According to the information and explanations provided to us, the company is not required to prepare its Consolidated Financial Statements. Accordingly, the provisions of clause 3(xxii) of the Order are not applicable to the Company and, not commented upon.

For D T S & Associates LLP
Chartered Accountants
(Registration No. 142412W/W100595)

Kundan Angre
Partner
Membership No.: 136433
UDIN: 23136433BGRPEF5932

Place: Mumbai
Date: April 14, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited) on the financial statements for the year ended 31st March, 2023)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of Reliance Digital Health Limited (Formerly known as Kanhatech Solutions Limited) (“the Company”) as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. 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.

Auditors’ 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. 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 was 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 over financial reporting, 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 control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes 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 control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **D T S & Associates LLP**

Chartered Accountants

(Registration No. 142412W/W100595)

Kundan Angre

Partner

Membership No.: 136433

UDIN: 23136433BGRPEF5932

Place: Mumbai

Date: April 14, 2023

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Balance Sheet as at 31st March, 2023

	Note	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
ASSETS			
Non-Current Assets			
Intangible Asset Under Development	1	8,837.47	1,031.74
		8,837.47	1,031.74
Financial Assets			
Investments	2	50,093.01	2,500.00
Other Financial Assets	3	0.10	0.10
Other Non-Current Asset	4	2.33	-
Total Non-Current Assets		50,095.44	2,500.10
Current Assets			
Financial Assets			
Investments	5	6 37.45	49 14.00
Trade Receivables	6	-	5 74.44
Cash and Cash Equivalents	7	78.22	1 19.84
Other Current Assets	8	17 84.63	2 93.94
Total Current Assets		25 00.30	59 02.22
Total Assets		614 33.21	94 34.06
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	161 71.85	75 00.00
Other Equity	10	384 82.88	11 41.91
Total Equity		546 54.73	86 41.91
LIABILITIES			
Non-Current Liabilities			
Deferred Tax Liability	11	4 70.33	33.24
Total Non-Current Liabilities		470.33	33.24
Current Liabilities			
Financial Liabilities			
Trade Payables	12	-	568.22
Micro and small enterprise		-	4.98
Other than micro and small enterprise		1 08.14	4.29
Other Financial Liabilities	13	61 86.58	153.79
Other Current Liabilities	14	13.43	27.63
Provisions	15	-	-
Total Current Liabilities		63 08.15	758.91
Total Equity and Liabilities		614 33.21	94 34.06

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 30

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
Firm Regn No: 142412W/W100595

Kundan Angre
Partner
Membership No: 136433

Date: April 14, 2023

For and on behalf of the Board

Sridhar Kothandaraman
Director
DIN: 00012765

Anish Shah
Director
DIN: 07205243

Sajita Nair
Director
DIN: 09082420

Sumit Mantri
Chief Financial Officer

Sonu Patel
Company Secretary

Aditi Asthana
Manager

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Profit and Loss Statement for year ended 31st March, 2023

	Note	2022-23	2021-22
		(₹ in Lakh)	
INCOME			
Value of Sales		78.55	574.43
Less: GST Recovered		3.74	45.85
Revenue from Operations	16	74.81	528.58
Other Income	17	62.51	348.61
Total Revenue		137.32	877.19
EXPENSES			
Purchases of Stock-in-Trade		74.07	523.35
Other Expenses	19	514.41	60.55
Total Expenses		588.48	583.90
Profit Before Tax		(451.16)	293.29
Tax Expenses:			
Current Tax	4.1	-	59.09
Earlier year tax		(29.05)	-
Deferred Tax		437.09	33.24
		408.04	92.33
Profit After Tax		(859.20)	200.96
Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss		-	-
ii) Income tax relating to items that will not be reclassified		-	-
iii) Items that will be reclassified to profit or loss		-	-
iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		(859.20)	200.96
Earnings per equity share of face value of ₹ 10 each			
Basic (In ₹)	21	(0.53)	0.27
Diluted (In ₹)		(0.53)	0.27
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 30		

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
Firm Regn No: 142412W/W100595

Kundan Angre
Partner
Membership No: 136433

Date: April 14, 2023

For and on behalf of the Board

Sridhar Kothandaraman
Director
DIN: 00012765

Anish Shah
Director
DIN: 07205243

Sajita Nair
Director
DIN: 09082420

Sumit Mantri
Chief Financial Officer

Sonu Patel
Company Secretary

Aditi Asthana
Manager

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in Lakh)					
A. Equity Share Capital	Balance as at 1st April, 2021	Changes in Equity FY 2021-22	Balance as at 31st March 2022	Changes in Equity during FY 2022-23	Balance as at 31st March 2023
	75 00.00	-	75 00.00	86 71.85	161 71.85

(₹ in Lakh)				
B. Other Equity	Balance as at 1st April, 2022	Addition	Total Comprehensive Income	Balance as at 31st March 2023
As at 31st March, 2023				
Retained Earnings	11 41.91		(8 59.20)	2 82.71
Other Equity				
Zero Coupon Optionally Fully Convertible Debentures	-	368 99.39	-	368 99.39
Securities Premium	-	13 00.78	-	13 00.78
Total	11 41.91	382 00.17	(8 59.20)	384 82.88
As on 31st March, 2022				
Retained Earnings	9 40.95		2 00.96	11 41.91
Other Comprehensive Income				
- Remeasurement of Defined Benefit Plan	-		-	-
Total	9 40.95		2 00.96	11 41.91

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
Firm Regn No: 142412W/W100595

Kundan Angre
Partner
Membership No: 136433

Date: April 14, 2023

For and on behalf of the Board

Sridhar Kothandaraman
Director
DIN: 00012765

Anish Shah
Director
DIN: 07205243

Sajita Nair
Director
DIN: 09082420

Sumit Mantri
Chief Financial Officer

Sonu Patel
Company Secretary

Aditi Asthana
Manager

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Cash Flow Statement for period ended 31st March, 2023

	<u>2022-23</u>	<u>2021-22</u>
		(₹ in Lakh)
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax as per Profit and Loss Statement	(4 51.16)	2 93.29
Adjusted for:		
(Profit)/ Loss on Sale of Investments (Net)	(1 44.22)	(242.92)
Interest Income	(0.05)	(5.55)
Gain on Investment (Net)	81.76	(78.14)
	<u>(62.51)</u>	<u>(3 26.61)</u>
Operating Profit/(Loss) before Working Capital Changes	(5 13.67)	(33.32)
Adjusted for:		
Trade and Other Receivables	85.24	1 86.82
Trade and Other Payables	<u>(5 58.43)</u>	<u>(3 52.84)</u>
	<u>(4 73.19)</u>	<u>(1 66.02)</u>
Cash flow from Operations	(9 86.86)	(1 99.34)
Taxes Paid (Net)	<u>(0.91)</u>	<u>20.15</u>
Net Cashflow from Operating Activities	<u>(9 87.77)</u>	<u>(1 79.19)</u>
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Intangible Assets	(26 01.91)	(1,031.74)
Purchase of Investments	(475 93.01)	(193 88.72)
Sale of Investments	42 69.00	206 84.20
Interest Received	0.05	5.55
	<u>(459 25.87)</u>	<u>2 69.29</u>
Net Cashflow from / (used in) Investing Activities	<u>(459 25.87)</u>	<u>2 69.29</u>
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	99 72.63	-
Proceeds from Issue of Debentures	368 99.39	-
	<u>468 72.02</u>	<u>-</u>
Net Cash from Financing Activities	<u>468 72.02</u>	<u>-</u>
Net (Decrease)/ Increase in Cash and Cash Equivalents	(41.62)	90.10
Opening Balance of Cash and Cash Equivalents	1 19.84	29.74
Closing Balance of Cash and Cash Equivalents (Refer Note "7")	<u>78.22</u>	<u>1 19.84</u>

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
Firm Regn No: 142412W/W100595

Kundan Angre
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Chief Financial Officer

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Company Secretary

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Manager

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

A. CORPORATE INFORMATION

Reliance Digital Health Limited (“the Company”) is a limited company incorporated in India. The Company's registered office and principal place of business is at 5th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai - 400002. The company is involved in health care services and trading of related goods.

B. SIGNIFICANT ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The Financial Statements have been prepared on the historical cost basis except for certain assets and liabilities which has been measured at fair value as per requirement of IndAS.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.(as amended from time to time) and Presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakh (`00,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

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 realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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.

(b) Property, plant and equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, plant and equipment which are significant to the total cost of that item of property, plant and equipment and having different useful life are accounted separately.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

Depreciation on Property, Plant and Equipment is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

(c) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(d) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as project development expenditure and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Particular	Depreciation
Computer Software	Over a period of 5 years (SLM)

(e) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(f) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

(g) Finance Cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

(h) Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual assets, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(i) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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 recognised as a finance cost.

(k) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the Other Comprehensive Income.

Employee Separation Costs

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

(l) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(m) Tax Expenses

The tax expense for the period comprises of Current Tax and Deferred Income Tax. Tax is recognised in the Statement of Profit and loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(n) Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

(o) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-60 days from the shipment or delivery of goods or services as the case may be. In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(p) Financial Instruments

(i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial Assets carried at Amortised Cost (AC)

A Financial Asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint ventures at cost less impairment loss (if any).

D. Other Equity Investments:

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognized in Profit and loss when the company's right to receive payment is established.

E. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit or Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

(ii) Financial liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(q) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

a) Depreciation / Amortisation and useful lives of Property, Plant and Equipment / Intangible Assets

Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of Financial & Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Recognition Of Deferred Tax Assets And Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

D Standards Issued but not Effective

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

- i. Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii. Ind AS 102 – Share-based Payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments Disclosures
- v. Ind AS 109 – Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

1	INTANGIBLE ASSETS UNDER DEVELOPMENT (IUAD)	(₹ in Lakh)	
		As at 31st March, 2023	As at 31st March, 2022
	Application usage Technology under Development	8,837.47	1,031.74
	Total	8,837.47	1,031.74

1.1 Intangible Assets under Development (IUAD) Ageing Schedule:

As at 31st March, 2023

IUAD	Amount in IUAD for period of			Total
	< 1 year	1-2 year	2-3 year	
Projects in Progress	7,805.73	1,031.74		8,837.47
Projects temporarily suspended	-	-	-	-
Total	7,805.73	1,031.74	-	8,837.47

As at 31st March, 2022

IUAD	Amount in IUAD for period of			Total
	< 1 year	1-2 year	2-3 year	
Projects in Progress	1,031.74			1,031.74
Projects temporarily suspended	-	-	-	-
Total	1,031.74	-	-	1,031.74

Note: The Company does not have any Intangible asset under development whose completion is overdue or has exceeded its cost compared to its original plan.

2	INVESTMENTS - NON-CURRENT	(₹ in Lakh)		
		Units	As at 31st March, 2023	Units As at 31st March, 2022
	Investments measured at Fair Value through Other Comprehensive Income (FVTOCI)			
	In Debentures of others			
	Unquoted, fully paid up			
	0.01% Cumulative Convertible Debentures - Karkinos Healthcare Private Limited	25,00,000	2,500.00	25,00,000 2,500.00
	In Preference shares of Others			
	Series A Preference Shares Capital - Proto Axiom Pty Ltd.	58,336	798.77	- -
	In Preferred stock of Others			
	Series C Preferred stock - Syncron Inc.	3,22,616	7,422.16	- -
	Investments measured at FVTPL			
	Initial Capital Contribution (Equity)			
	In Venture Fund			
	20% of \$ 15 Million Capital Commitment in BOLD Capital Partners III, L.P.		2,472.78	-
	Investments measured at Cost			
	In Equity shares of Subsidiary Company			
	Unquoted, fully paid			
	Strand Life Sciences Private Limited of ₹ 10 each	2,14,04,492	36,899.30	- -
	Total		50,093.01	2,500.00

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

2.1 CATEGORY-WISE NON-CURRENT INVESTMENT

	Financial assets measured at Fair value through Profit & Loss (FVTPL)	2,472.78	-
	Financial assets measured at Fair value through Other Comprehensive Income (FVTOCI)	10,720.93	2,500.00
	Financial assets measured at Cost	36,899.30	-
			(₹ in Lakh)
3	OTHER FINANCIAL ASSETS - NON-CURRENT (Unsecured and Considered Good)	As at 31st March, 2023	As at 31st March, 2022
	Security Deposit	0.10	0.10
	Total	0.10	0.10
			(₹ in Lakh)
4	OTHER NON-CURRENT ASSETS (Unsecured and Considered Good)	As at 31st March, 2023	As at 31st March, 2022
	Advance Income Tax (Net of Provision)	2.33	-
	Total	2.33	-
			(₹ in Lakh)
	4.1 Advance Income Tax (Net of Provision)	As at 31st March, 2023	As at 31st March, 2022
	At start of year	(27.63)	51.61
	Charge for the year - Current Tax	-	(59.09)
	Reversal of Provision (Earlier year Tax)	29.05	-
	Tax paid (Net) during the year	0.91	(20.15)
	At end of year	2.33	(27.63)
			(₹ in Lakh)
		Year ended 31st March, 2023	Year ended 31st March, 2022
a)	Income Tax recognised in Statement of Profit and Loss		
	Current Tax	-	59.09
	Earlier Year Tax	(29.05)	-
	Deferred Tax	4 37.09	33.24
	Total Income Tax expenses recognised in the current year	4 08.04	92.33

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)
Notes to the Financial Statements for the year ended 31st March, 2023

The Income Tax expenses for the year can be reconciled to the accounting profit as follows

	Year ended 31st March, 2023	(₹ in Lakh) Year ended 31st March, 2022
Profit Before tax	(4 51.16)	2 93.29
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	(113.55)	73.82
Tax Effect of :		
Expenses Disallowed	-	(19.67)
Additional Allowances	-	2.27
Effect of Income considered for tax purposes	-	2.67
Others	<u>1 13.55</u>	
Current Tax Provision (A)	<u>-</u>	<u>59.09</u>
Incremental Deferred tax Liability / (Asset) on account of Property, Plant and Equipment and Intangible Assets	457.61	-
Incremental Deferred tax Liability / (Asset) on account of Financial Assets and Other Items	(20.52)	33.24
Deferred Tax Provision (B)	<u>437.09</u>	<u>33.24</u>
Tax expenses recognised in Statement of Profit and Loss (A+B)	<u>4 37.09</u>	<u>92.33</u>
Effective Tax Rate	<u>-96.88%</u>	<u>31.48%</u>

5 CURRENT INVESTMENTS

	As at 31st March, 2023		(₹ in Lakh) As at 31st March, 2022	
	Units	Amount	Units	Amount
Financial assets measured at Fair Value Through Profit and Loss (FVTPL)				
Investment in Mutual Funds				
In Units - Unquoted - fully paid up				
ICICI Prudential Saving Fund - Direct Plan - Growth	1,37,800	6 37.45	11,22,653	49 14.00
Total		<u>6 37.45</u>		<u>49 14.00</u>
Aggregate amount of quoted investments		-		-
Market Value of quoted investments		-		-
Aggregate amount of unquoted investments		6 37.45		49 14.00
5.1 Category wise Investment - Current				
Financial assets measured at Fair Value Through Profit and Loss (FVTPL)		6 37.45		49 14.00

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6 TRADE RECEIVABLES (Unsecured and Considered good)	(₹ in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	-	5 74.44
Total	<u>-</u>	<u>5 74.44</u>

6.1 Trade Receivables Ageing

As at 31st March, 2022

(₹ in Lakh)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months 1 year	1-2 years	2-3 years	> 3 years	
Undisputed Trade receivables – considered good	5 74.44	-	-	-	-	-	5 74.44
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	5 74.44	-	-	-	-	-	5 74.44

7 CASH AND CASH EQUIVALENTS

(₹ in Lakh)

	(₹ in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Bank Balances:		
In Current Accounts	78.22	1 19.84
Total	<u>78.22</u>	<u>1 19.84</u>

8 OTHER CURRENT ASSETS
(Unsecured and Considered Good)

(₹ in Lakh)

	(₹ in Lakh)	
	As at 31st March, 2023	As at 31st March, 2022
Balance with GST Authorities	16 95.93	272.17
Others(i)	88.70	21.77
Total	<u>17 84.63</u>	<u>2 93.94</u>

(i) This includes advances and treasury receivables.

Reliance Digital Health Limited
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		(₹ in Lakh)	
		As at	As at
		31st March, 2023	31st March, 2022
9 SHARE CAPITAL			
Authorised Share Capital:			
19,50,00,000 (7,50,00,000)	Equity Shares of ₹ 10 each	195 00.00	75 00.00
Total		<u>195 00.00</u>	<u>75 00.00</u>
Issued, Subscribed and Paid-Up Capital:			
Fully paid-up			
16,17,18,500 (7,50,00,000)	Equity Shares of ₹ 10 each	161 71.85	75 00.00
Total		<u>161 71.85</u>	<u>75 00.00</u>

(i) 16,17,18,500 (Previous Year 7,50,00,000) equity shares of Rs. 10 each fully paid up are held by Reliance Industries Limited, the holding company including those held with its nominees.

(ii) **Terms/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 shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

(iii) **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	As at		As at	
	31st March, 2023	%	31st March, 2022	%
	No. of Shares	held	No. of Shares	% held
Reliance Industries Limited	16,17,18,500	100%	7,50,00,000	100%
Total	16,17,18,500	100%	7,50,00,000	100%

(iv) **Reconciliation of opening and closing number of shares**

Particulars	2022-23		2021-22	
	No. of shares	₹ lakhs	No. of shares	₹ lakhs
Equity Shares outstanding at the beginning of the year	7 50 00 000	75 00.00	7 50 00 000	75 00.00
Add: Equity Shares issued during the year	8 67 18 500	86 71.85	-	-
Equity Shares outstanding at the end of the year	<u>16 17 18 500</u>	<u>161 71.85</u>	<u>7 50 00 000</u>	<u>75 00.00</u>

(v) **Shareholding of Promoters**

Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
As at 31st March, 2023							
1	Fully paid-up equity shares of ₹ 10 each	Reliance Industries Limited	7 50 00 000	8 67 18 500	16 17 18 500	100%	54%
As at 31st March, 2022							
1	Fully paid-up equity shares of ₹ 10 each	Reliance Industrial Investments and Holdings Limited (till Nov. 02, 2021)	7 50 00 000	(7 50 00 000)	-	0%	(-)100%
2	Fully paid-up equity shares of ₹ 10 each	Reliance Industries Limited (w.e.f. Nov 02, 2021)	-	7 50 00 000	7 50 00 000	100%	100%

(vi) The Company has allotted 8,67,18,500 Equity Shares to Reliance Strategic Business Ventures Limited (RSBVL), pursuant to which the Company has become subsidiary Company of RSBVL on December 16, 2022. On February 1, 2023 RSBVL has transferred its entire holding in the Company to Reliance Industries Limited (RIL) and again the Company has become wholly-owned subsidiary Company of RIL.

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10 OTHER EQUITY

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Securities Premium		
As per Last Balance Sheet	-	-
Add: Addition during the year	<u>13 00.78</u>	<u>-</u>
	13 00.78	-
Retained Earnings		
As per Last Balance Sheet	11 41.91	9 40.95
Add: Profit/(Loss) for the year	<u>(8 59.20)</u>	<u>2 00.96</u>
Total (A)	2 82.71	11 41.91
Other Equity		
Zero Coupon Optionally Fully Convertible Debentures (ZOFCDs)		
Opening Balance	-	-
Add: Movement during the year	<u>368 99.39</u>	<u>-</u>
Total (B)	368 99.39	-
Total (A + B)	384 82.88	11 41.91

10.1

33,54,49,000 fully paid (Previous year Nil) Zero Coupon Unsecured Optionally Fully Convertible Debentures (OFCD) of ₹ 10 each held by Reliance Industries Limited, the Ultimate Holding Company. The Company (issuer) & Debenture-holder shall have an option for early conversion at any time after allotment of the OFCDs by giving one month notice to the Company. The instrument (s) is convertible into equity shares of face value of Rs. 10/- each or at a fair value determined as per Rule 11UA of Income Tax Rules, 1962 whichever is higher as on the date of issue of OFCD, for every 1 OFCD held, at the option of the Company at any time. The equity shares arising out of conversion of the OFCDs will rank pari passu in all respects with the then outstanding equity shares of the Company on the date of such conversion, except for dividend, which if declared, shall be paid on pro-rata basis from the date of allotment of such Equity Shares. The Company will settle the outstanding OFCDs on expiry of 10 years. Since the OFCDs are unsecured, no security is required to be created.

11 DEFERRED TAX LIABILITIES (NET)

The movement on the deferred tax account is as follows:

Particulars	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
At the Start of the year	33.24	-
Charge/ (credit) to Statement of Profit and Loss	4 37.09	33.24
Charge to Other comprehensive Income	-	-
At the end of the year	4 70.33	33.24

COMPONENT OF DEFERRED TAX LIABILITIES / (ASSET)

Particulars	As at 01st April, 2022	Charge / (credit) to Statement of profit or loss	As at 31st March, 2023
Deferred Tax liabilities/ (asset) in relation to :			
Property, Plant & Equipments	-	4 57.61	457.61
Financial assets	33.24	(20.52)	12.72
Total	33.24	437.09	470.33

12 TRADE PAYABLES DUE TO:-

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Micro and Small Enterprises*	-	568.22
Others	1 08.14	4.98
Total	1 08.14	573.20

* The are no overdue amounts Micro, Small and Medium Enterprises as at 31st March, 2023.

12.1 Trade Payables ageing:

As at 31st March, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	-	-	-	-
Others	56.68	51.46	-	-	-	108.14
Disputed-MSME	-	-	-	-	-	-
Disputed-Others	-	-	-	-	-	-
Total	56.68	51.46	-	-	-	1 08.14

As at 31st March, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
MSME	568.22	-	-	-	-	5 68.22
Others	-	4.98	-	-	-	4.98
Disputed-MSME	-	-	-	-	-	-
Disputed-Others	-	-	-	-	-	-
Total	568.22	4.98	-	-	-	573.20

13 OTHER FINANCIAL LIABILITIES - CURRENT

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Other Payables*	61 86.58	4.29
Total	61 86.58	4.29

* Includes Creditors for Capital Expenditure

14 OTHER CURRENT LIABILITIES

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Other Payables #	13.43	1 53.79
Total	13.43	1 53.79

Other payables includes statutory dues.

15 PROVISIONS - CURRENT

	As at 31st March, 2023	(₹ in Lakh) As at 31st March, 2022
Provision for Income Tax (Net of Advance Tax)	-	27.63
Total	-	27.63

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16 REVENUE FROM OPERATIONS	2022-23	(₹ in Lakh) 2021-22
Value of Sales	74.81	5 28.58
Total^	<u>74.81</u>	<u>5 28.58</u>

^Net of GST.

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, volume rebate, discounts etc

17 OTHER INCOME	2022-23	(₹ in Lakh) 2021-22
Interest Income		
Interest on IT refund	-	5.55
Interest on Debentures	0.05	-
Net Gain from Investments		
Net Gain / (loss) on Sale of Investments	1 44.22	242.92
Net Gain / (loss) arising on financial assets designated as at FVTPL	(81.76)	78.14
	<u>62.46</u>	<u>3 21.06</u>
Miscellaneous Expense Write Back	-	22.00
Total	<u>62.51</u>	<u>3 48.61</u>

18 PURCHASES OF STOCK IN TRADE	2022-23	(₹ in Lakh) 2021-22
Stock In Trade	74.07	5 23.35
	<u>74.07</u>	<u>5 23.35</u>

19 OTHER EXPENSES	2022-23	(₹ in Lakh) 2021-22
Payment to Auditors (Refer Note no 19.1)	1.65	1.50
Professional Fees	3 89.89	45.26
Travelling Expenses	-	0.12
Charity and Donation	7.20	9.00
Filing Fees	1 14.12	0.30
General Expenses	1.55	4.37
TOTAL	<u>5 14.41</u>	<u>60.55</u>

19.1 Payment to Auditors as :		(₹ in Lakh)
Audit Fees	1.65	1.50
Certification Fees	-	-
Total	<u>1.65</u>	<u>1.50</u>

19.2 Corporate Social Responsibility (CSR)

a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 7.20 lakh (Previous Year ₹ 9.00 lakh)

b) Expenditure related to Corporate Social Responsibility is ₹ 7.20 Lakh (Previous Year ₹ 9.00 Lakh).

Details of amount spent towards CSR given below:

Particulars	2022-23	(₹ in Lakh) 2021-22
Rural Transformation - Sustainable Livelihoods Programme	7.20	-
Health Care, including Preventive Health Care	-	9.00
Total	<u>7.20</u>	<u>9.00</u>

c) Total ₹ 7.20 lakh (Previous Year ₹ 9.00 lakh) is spent through Reliance Foundation, the implementing Agency.

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20 SEGMENT INFORMATION

The company has a single segment as per the requirements of Ind AS 108 for "Segment Reporting". Revenue from Single Customer contributed more than 10% of the Company's revenue.

21 Earnings Per Share (EPS)

	2022-23	2021-22
FACE VALUE PER EQUITY SHARE (₹)	10	10
BASIC EARNINGS PER SHARE (₹)	(0.53)	0.27
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakh)	(8 59.20)	2 00.96
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	16 17 18 500	7 50 00 000
DILUTED EARNINGS PER SHARE (₹)	(0.53)	0.27
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakh)	(8 59.20)	2 00.96
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	18 19 37 344	7 50 00 000
RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	16 17 18 500	7 50 00 000
Total Weighted Average Potential Equity Shares	2 02 18 844	-
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	18 19 37 344	7 50 00 000

Diluted EPS for FY 2022-23 is same as Basic EPS, being Anti-dilutive.

22 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties with whom transactions have taken place and relationship :

Sr No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding company & Holding Company (w.e.f. November 2, 2021)
2	Reliance Industrial Investments and Holdings Limited	Holding Company (till November 2, 2021)
3	Reliance Strategic Business Ventures Limited	Fellow Subsidiary [#]
4	Reliance Jio Infocomm Limited	Fellow Subsidiary
5	Reliance Projects and Property Management Services Limited	Fellow Subsidiary
6	Tresara Health Limited	Fellow Subsidiary
7	Strand Life Sciences Private Limited	Subsidiary Company
8	Reliance Retail Limited	Fellow Subsidiary
9	Mr. Abhishek Juvekar	Company Secretary (till November 18, 2021)
10	Mr. Bala Arumugam	Company Secretary (w.e.f. March 14, 2022 till November 11, 2022)
11	Ms. Aruna Kotturu	Company Secretary (w.e.f. November 11, 2022 till February 20, 2023)
12	Ms. Preeti Wadhvani	Chief Financial Officer (till January 24, 2022)
13	Mr. Sumit Mantri	Chief Financial Officer (w.e.f. April 12, 2022)
14	Mr. Shwetark Shukla	Manager (w.e.f. July 16, 2021 till July 29, 2022)
15	Ms. Aditi Asthana	Manager (w.e.f. January 12, 2023)

The Company has allotted equity shares to Reliance Strategic Business Ventures Limited (RSBVL), pursuant to which the Company has become subsidiary Company of RSBVL on December 16, 2022. Further, RSBVL has transferred its entire holding in the Company to Reliance Industries Limited (RIL) on February 1, 2023 and again the Company has become wholly-owned subsidiary Company of RIL.

(ii) Transactions during the year ended 31st March, 2023, with related parties

(₹ in Lakh)

Sr. No.	Nature of Transactions (excluding reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company/ Subsidiary Company	Key Managerial Personnel	Total
1	Issue of Equity Shares	-	8,671.85	-	-	8,671.85
2	Issue of Zero Coupon Optionally Fully Convertible Debentures (ZOFCDs)	36,899.39	-	-	-	36,899.39
3	Investment in Equity Share Capital	-	-	36,899.30	-	36,899.30
4	Purchase of Goods	-	-	74.07	-	74.07
5	Purchase of Services (IT Support Services)	-	-	7,909.15	-	7,909.15
6	Sale of Goods	-	-	74.81	-	74.81
7	Professional Fees	0.68	-	-	6.00	6.68
		0.77	-	-	37.38	38.15

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Balances as at 31st March, 2023

Sr. No.	Particulars	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company/ Subsidiary Company	Key Managerial Personnel	Total
1	Equity Share Capital (including premium)	17,472.63	-	-	-	17,472.63
2	Zero Coupon Optionally Fully Convertible Debentures	36,899.39	-	-	-	36,899.39
3	Investments	-	-	36,899.30	-	36,899.30
4	Trade Receivables	-	-	574.44	-	574.44
5	Trade Payables	0.92 0.01	-	105.23	-	106.15 0.01
6	Other Financial Liabilities	-	-	6,186.58	-	6,186.58

Note: Figures in *italics* represent previous year's amounts.

(iii) Disclosure in respect of Major Related Party Transactions during the year ended 31st March, 2023

Particulars	Relationship	Nature	2022-23	2021-22
1 Issue of Equity Share Capital				
Reliance Strategic Business Ventures Limited	Fellow Subsidiary		8,671.85	-
2 Issue of Optionally Fully Convertible Debentures (ZOFCDs)				
Reliance Industries Limited	Holding company		36,899.39	-
3 Investment in Equity share Capital				
Strand Life Sciences Private Limited	Subsidiary Company		36,899.30	-
4 Sale of Goods				
Tresara Health Limited	Subsidiary Company		74.81	-
Reliance Retail Limited	Fellow Subsidiary Company		-	528.58
5 Professional Fees				
Reliance Industries Limited	Ultimate Holding company		0.68	0.77
Mr. Abhishek Juvekar	Key Managerial Personnel		-	25.00
Ms. Aditi Asthana	Key Managerial Personnel		2.00	-
Mr. Sumit Mantri	Key Managerial Personnel		2.00	-
Ms. Preeti Wadhvani	Key Managerial Personnel		-	7.25
Mr. Shwetark Shukla	Key Managerial Personnel		2.00	5.13
6 Purchase of Goods				
Reliance Retail Limited	Fellow Subsidiary Company		74.07	-
7 Purchase of Services (IT Support Services)				
Jio Platforms Limited	Fellow Subsidiary Company		7,905.73	-
Reliance Projects and Property Management Services Limited	Fellow Subsidiary Company		2.67	-
Reliance Jio Infocomm Limited	Fellow Subsidiary Company		0.75	-

22.1 Compensation of Key Managerial Personnel*

The remuneration of key Managerial Personnel during the year was as follows :

	2022-23	2021-22
i) Professional Fees	6.00	37.38
Total	6.00	37.38

* Includes Professional Fees towards Key Managerial Personnel payments reimbursed to Reliance Retail Limited and Reliance Projects and Property Management Services Limited.

23 CONTINGENT LIABILITIES AND COMMITMENTS

	2022-23	2021-22
A Contingent Liabilities	-	-
B Commitments		
Other Commitments		
Investments	9,860.40	-

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24 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the company consists of Equity share capital. As on 31st March, 2023, the Company did not have any debt.

Net Gearing Ratio

There is no Debt in the Company as on 31.03.2023 and 31.03.2022. Thus, the Net Gearing Ratio is NIL as on 31.03.2023 and 31.03.2022.

25 FINANCIAL INSTRUMENTS**A. Fair Value Measurement Hierarchy**

(₹ in Lakh)

Particulars	As at 31st March, 2023				Carrying Amount	As at 31st March, 2022		
	Carrying Amount	Level of input used				Level of input used		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost#								
Trade Receivables	-	-	-	-	5 74.44	-	-	-
Other Financial Assets-Non Current	0.10	-	-	-	0.10	-	-	-
Cash and Cash Equivalents	78.22	-	-	-	1 19.84	-	-	-
At FVTPL								
Investments	31 10.24	6 37.45	-	24 72.78	49 14.00	49 14.00	-	-
At FVTOCI								
Investments	107 20.93	-	-	107 20.93	25 00.00	-	-	25 00.00
Financial Liabilities								
At Amortised Cost								
Trade Payables	1 08.14	-	-	-	5 73.20	-	-	-
Other Financial Liabilities-Current	61 86.58	-	-	-	4.29	-	-	-

Excluding Investment in Subsidiaries of ₹ 36899.30 Lakhs (Previous year Nil).

25.1 Reconciliation of fair value measurement of the investment categorised at level 3:

(₹ in Lakh)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	At FVTPL	At FVTOCI	At FVTPL	At FVTOCI
Opening Balance	-	-	-	-
Addition during the year	2,472.78	8,220.93	-	-
Closing Balance	2,472.78	8,220.93	-	-

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

B. Financial Risk Management

The different types of risks the company is exposed to are foreign currency risk, credit risk and liquidity risk.

Foreign Currency Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in USD, GBP, EUR & RMB on financial instruments at the end of the reporting period.

Foreign Currency Exposure

(₹ in Lakh)

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	USD	GBP	EUR	RMB	USD	GBP	EUR	RMB
Other Payables	8.23	-	-	-	-	-	-	-
Net Exposure	8.23	-	-	-	-	-	-	-

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments, dealing in derivatives and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

Market Risk

Market Risk - Foreign exchange is this risk arises from Purchases denominated in currencies other than INR.

Market Risk - Interest rate risk: The risk that the fair value or future cash flows of a financial instrument (mutual fund) will fluctuate because of changes in market interest rates.

26 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186(4) OF THE COMPANIES ACT, 2013

- The Company has not given any loans.
- Investments made by the Company are given under respective heads.
- The Company has not given any Corporate Guarantees.

27 The figures for the previous years have been regrouped/ reclassified wherever necessary, to make them comparable.

Reliance Digital Health Limited

Notes to the Financial Statements for the year ended 31st March, 2023

28 RATIO ANALYSIS

Sr. No.	Particulars	2022-23	2021-22	% Change
1	Current Ratio ^a	0.40	7.78	(94.90)%
2	Debt-Equity Ratio	Not Applicable	Not Applicable	0.00%
3	Debt Service Coverage Ratio	Not Applicable	Not Applicable	0.00%
4	Return on Equity Ratio ^b	(6.51)%	2.35%	(376.69)%
5	Inventory Turnover Ratio	Not Applicable	Not Applicable	0.00%
6	Trade Receivables Turnover Ratio ^c	0.26	0.66	(60.60)%
7	Trade Payables Turnover Ratio ^d	0.22	0.64	(66.01)%
8	Net Capital Turnover Ratio ^e	(0.02)	0.10	(119.12)%
9	Net Profit Ratio ^f	(1148.55)%	38.02%	(3121.03)%
10	Return on Capital Employed ^g	(54.60)%	(172.88)%	68.42%
11	Return on Investment ^h	2.17%	5.18%	(58.05)%

Notes:-

- a Current Ratio decreased due to increase in Other Financial Liabilities.
b Return on Equity Ratio decreases due to loss during the year.
c Trade Receivable turnover Ratio decrease on account of decrease in Value of Sales.
d Trade Payable turnover Ratio decreases on account of decrease in Purchase of Stock in Trade and increase in average trade Payables.
e Net Capital Turnover Ratio reduced due to decrease in Value of sales and increase in current liabilities.
f Net Profit Ratio reduced due to loss during the year.
g Return on Capital Employed increased due to increase in average capital employed.
h Return on Investment reduced due to reduction in Other income.

28.1 FORMULA FOR COMPUTATION OF RATIOS ARE AS FOLLOWS:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade}}{\text{Average Trade Payables}}$

Reliance Digital Health Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

Sr. No.	Particulars	Formula
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital (Current Assets - Current Liabilities)}}$
9	Net Profit Ratio	$\frac{\text{Profit after tax(after exceptional items)}}{\text{Value of Sales \& Services}}$
10	Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed**}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities + Current Investments}}$

**Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditors for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents and Intangible Assets under Development.

29 OTHER STATUTORY INFORMATION:

(i) There are no balances outstanding with struck off companies as per section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended 31st March, 2023.

(ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

30 APPROVAL OF FINANCIAL STATEMENTS

The Financial statements were approved for issue by the Board of Directors on April 14, 2023.

Reliance Digital Health Limited
(Formerly known as Kanhatech Solutions Limited)

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
Firm Regn No: 142412W/W100595

Kundan Angre
Partner
Membership No: 136433

Date: April 14, 2023

For and on behalf of the Board

Sridhar Kothandaraman
Director
DIN: 00012765

Anish Shah
Director
DIN: 07205243

Sajita Nair
Director
DIN: 09082420

Sumit Mantri
Chief Financial Officer

Sonu Patel
Company Secretary

Aditi Asthana
Manager