ONE 97 COMMUNICATIONS LIMITED

ANNUAL REPORT

2020-21

BOARD'S REPORT

Dear Members,

The Directors take pleasure in presenting the Twenty First Board's Report of the Company together with the Audited Financial Statements and Accounts for the year ended 31st March, 2021.

FINANCIAL HIGHLIGHTS

	Consolidated (INR in Crores)		Standalone (INR in Crores)	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Revenue from Operations	2,802.41	3,280.84	2,667.08	3,115.10
Other Income	384.39	259.93	374.88	147.41
TOTAL REVENUE	**3,186.80**	**3,540.77**	**3,041.96**	**3,262.51**
Less: Expenses				
Payment processing charges	1,916.78	2,265.91	1,913.10	2,256.51
Marketing and promotional expenses	532.52	1,397.05	520.95	1,365.57
Employee Benefit Expense	1,184.90	1,119.30	833.90	825.12
Software, cloud and data centre expenses	349.80	360.28	320.73	332.11
Depreciation and Amortization Expense	178.45	174.52	156.78	143.18
Finance Cost	34.83	48.52	33.68	45.56
Other Expenses	585.67	772.65	757.80	805.41
TOTAL EXPENSES	**4,782.95**	**6,138.23**	**4,536.94**	**5,773.46**
Profit/Loss before share of result of associates and taxation from continuing operations	(1,596.15)	(2,597.46)	(1,494.98)	(2,510.95)
Share of result of associates / joint venture entities	**(74.01)**	**(56.00)**		
Profit/Loss before exceptional items and tax from continuing operations	(1,670.16)	(2,653.46)	(1,494.98)	(2,510.95)
Exceptional items	**(28.15)**	**(304.66)**	**(65.00)**	**(322.18)**
Profit/Loss before Tax from Continuing Operations	(1,698.31)	(2,958.12)	(1,559.98)	(2,833.13)
Tax Expense	**2.70**	**(15.76)**	**0.22**	**0.05**
Profit/Loss from Continuing Operations	**(1,701.01)**	**(2,942.36)**	**(1,560.20)**	**(2,833.18)**
Profit/Loss for the period from discontinued operations		**-**		**-**
Profit/Loss for the year	**(1,701.01)**	**(2,942.36)**	**(1,560.20)**	**(2,833.18)**
Total Comprehensive Income/Loss	**(1,704.01)**	**(2,943.32)**	**(1,561.74)**	**(2,833.68)**
Loss attributable to Equity holders of the parent	(1,696.07)	(2,842.17)		

Loss attributable to Non-controlling interests	(4.94)	(100.19)		
Total Comprehensive Income/Loss attributable to Equity holders of the parent	(1,699.12)	(2,843.12)		
Total Comprehensive Income/Loss attributable to Non-controlling interests	(4.89)	(100.20)		
Basic & Diluted EPS for continuing operations	**(281.69)**	**(488.13)**	**(259.13)**	**(486.58)**
Basic & Diluted EPS for discontinued operations		**-**		**-**
Basic & Diluted EPS for continuing and discontinued operations	**(281.69)**	**(488.13)**	**(259.13)**	**(486.58)**

COMPANY'S PERFORMANCE

Our losses for the year on standalone basis reduced from INR (2,833.18) crores in FY 2019-20 to INR (1,560.20) crores in FY 2020-21. Our losses for the year on consolidated basis reduced from INR (2,942.36) crores in FY 2019-20 to INR (1,701.01) crores in FY 2020-21.

Covid-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals. The Company has considered the possible effects that may result from Covid-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Company has taken cognizance of internal and external information up to the date of approval of Financial Statements. The Company based on current estimates expects the carrying amount of the above assets will be recovered. The Company believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of standalone and consolidated financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.

DIVIDEND

The Board of Directors have not recommended any dividend for the financial year 2020-21.

CHANGES IN THE CAPITAL STRUCTURE

Authorized Share Capital:

During the financial year under review, there is no change in the authorized share capital of the Company. As on March 31, 2021 the authorized share capital of the Company is INR 1,041,066,000/- comprising of 104,106,600 Equity Shares of INR 10/- each.

Issued, Subscribed, Paid-up Share Capital:

During the year under review, the Company has issued and allotted following equity shares:

(a) On May 22, 2020 2,390 equity shares of INR 10/- each were allotted to various employees under the Employees Stock option Scheme (ESOP 2008);

(b) On August 28, 2020 5,379 equity shares of INR 10/- each were allotted to various employees under the Employees Stock option Scheme (ESOP 2008 & ESOP 2019);

(c) On November 20, 2020 5,000 equity shares of INR 10/- were allotted by way of preferential cum private placement basis. The Company had received INR 9,38,40,000/- in relation to the above equity shares issued;

(d) On December 18, 2020 28,968 equity shares of INR 10/- each were allotted to various employees under the Employees Stock option Scheme (ESOP 2008 & ESOP 2019); and

(e) On February 25, 2021 5,642 equity shares of INR 10/- each were allotted to various employees under the Employees Stock option Scheme (ESOP 2008 & ESOP 2019).

Post issuance of above mentioned shares, the issued and paid up equity share capital of the Company as on March 31, 2021 stands at INR 604,824,040/-.

BOARD MEETINGS

The Board met 4 times in financial year 2020-21 viz., on May 22, 2020, August 28, 2020, December 18, 2020 and February 25, 2021. The maximum interval between any two meetings did not exceed 120 days.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, there has been no change in the Board of Directors and Key Managerial Personnel ("KMP") of the Company.

The Company has received declaration from the Independent Directors declaring that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Todd Anthony Combs and Mr. Michael Yuen Jen Yao, Directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for reappointment.

As on date of the report the composition of Board of Directors and KMPs are as below:

Sl. No.	Name	Designation
1.	Mr. Vijay Shekhar Sharma	Managing Director
2.	Mr. Ravi Chandra Adusumalli	Director
3.	Mr. Jing Xiandong	Director
4.	Mr. Michael Yuen Jen Yao	Director
5.	Mr. Munish Ravinder Varma	Director
6.	Mr. Todd Anthony Combs	Director
7.	Mr. Mark Schwartz	Director
8.	Mrs. Pallavi Shardul Shroff	Director
9.	Mr. Guoming Cheng	Alternate Director
10.	Mr. Ting Hong Kenny Ho	Alternate Director
11.	Mr. Mukul Arora	Alternate Director

12.	Mr. Vikas Garg	Chief Financial Officer
13.	Mr. Arvind Kumar Singhania	Company Secretary

COMMITTEES OF BOARD OF DIRECTORS:

The Company has following statutory committees of Board as required under the Companies Act, 2013 as at 31st March, 2021:

1) Audit Committee
2) Nomination and Remuneration Committee
3) Corporate Social Responsibility Committee
4) Stakeholders Relationship Committee

During the year under review, keeping in view the provision of Section 178(5) of the Companies Act, 2013 and the Rules made thereunder and considering that the number of shareholders of the Company has crossed one thousand mark, the Company had constituted a Stakeholders Relationship Committee of the Board of Directors of the Company w.e.f. December 18, 2020.

As on the date of this report, the composition of the committees as per applicable provision of the Companies Act, 2013 and rules are as under:

Name of the Committee	Composition of Committee
Audit Committee	1. Mr. Ravi Chandra Adusumalli, Member 2. Mr. Mark Schwartz, Member 3. Ms. Pallavi Shardul Shroff, Member
Nomination and Remuneration Committee	1. Mr. Ravi Chandra Adusumalli, Member 2. Mr. Jing Xiandong, Member 3. Mr. Mark Schwartz, Member 4. Ms. Pallavi Shardul Shroff, Member
Stakeholders Relationship Committee	1. Mr. Mark Schwartz, Member 2. Mr. Ravi Chandra Adusumalli, Member 3. Mr. Jing Xiandong, Member 4. Mr. Munish Ravinder Varma, Member
Corporate Social Responsibility Committee	1. Mr. Vijay Shekhar Sharma, Member 2. Mr. Ravi Chandra Adusumalli, Member 3. Mr. Mark Schwartz, Member

POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board Members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is available on Company's website at https://one97.com/documents/OCL_NRC_Policy.pdf

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has undergone peer evaluation of all Board members, annual performance evaluation of its own performance, as well as the evaluation of the working of the Board Committees.

This evaluation is led by the Chairman of the Board or Nomination and Compensation Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

- That the composition of the Board is appropriate with the right mix of knowledge and skills sufficient to maximize Company performance in regard to future strategies;
- That the Board operates in a congenial environment which facilitates open and meaningful communication, equal participation and opportunity and timely resolution of issues;
- That the Board sets out the targets to be achieved every year with a clear vision and works toward its accomplishment;
- That the Board stays abreast of issues and trends affecting the business of the Company, anticipates problems and react to the situations in a timely manner;
- That the Board meetings are called at suitable intervals and proper notice and agenda is provided to all the Directors in a timely manner;
- That the Board meetings deliberates issues on length, takes decisions in a timely manner while maintaining a balance between presentations and discussions;
- That the Board receives accurate and useful information, based upon which decisions to be taken in a timely manner;
- That the Board speaks in “one voice” when directing or delegating to management and bring discussions to a conclusion with clear direction to management;
- That the number of meetings during the year is adequate for the Board to fulfill its responsibilities;
- That the Board is effective in implementing best corporate governance practices for creating transparency across the Company;
- That the Board follows a systematic approach for following-up the decisions taken during the meetings;
- That the Board provides ample time to all the members to provide their comments on the minutes of the meetings.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide a healthy environment to all its employees and thus has zero tolerance on any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment (POSH) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal complaints committee has been formed where complaint can be made by the aggrieved employees. The policy of “Prevention of Sexual Harassment” at workplace is available on intranet for employees. Penal consequences of Sexual Harassment (”SH”) and the constitution of the Committee is displayed at conspicuous places. The posters are also displayed in regional languages at all offices.

During the year under review Company has received 1 (one) complaint under POSH policy which was dealt by Internal Complaints Committee under the policy and stands closed as on the date of report.

EMPLOYEES STOCK OPTION SCHEME

The Nomination and Remuneration Committee and the Board inter alia, administer and monitor the Employees’ Stock Option Scheme (ESOP Scheme) of the Company in accordance with the Companies Act, 2013 and applicable rule framed thereunder. The Company maintains a Register of Employees Stock Option wherein the particulars are being entered forthwith for option granted in terms of Section 62 of the Companies Act, 2013.

In terms of the Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 disclosure under ESOP scheme is available on Company's website at https://one97.com/documents/ESOP_Details2021.pdf

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES:

As on 31st March 2021, your Company had the following subsidiaries, joint venture and associates:

Sr. No.	Name of Subsidiary Company	Percentage Holding
1.	One97 Communications India Limited ("OCIL")	100%
2.	Paytm Entertainment Limited	100%
3.	Paytm Money Limited	100%
4.	Paytm Financial Services Ltd.	48.78%
5.	Paytm Payments Services Limited	100%
6.	Wasteland Entertainment Private Limited	100%
7.	Orbgen Technologies Private Limited	100%
8.	Paytm Services Private Limited	100%
9.	Paytm Insurance Broking Private Limited	100%
10.	Foster Payment Networks Private Limited[1]	48.80%
11.	Little Internet Private Limited	62.53%
12.	Nearbuy India Private Limited[2]	62.53%
13.	Urja Money Private Limited	67.47%
14.	Fincollect Services Private Limited[3]	67.47%
15.	Mobiquest Mobile Technologies Private Limited	65.71%
16.	Xceed IT Solution Private Limited[4]	65.71%
17.	Paytm First Games Private Limited[5]	55%
18.	Paytm Payments Bank Limited	49%
19.	Paytm Life Insurance Limited	49%
20.	Paytm General Insurance Limited	49%
21.	Paytm Insuretech Private Limited (formerly known as QorQl Private Limited)	48.98%
22.	Socomo Technologies Private Limited	11.32%
23.	Infinity Transoft Solution Private Limited	26.57%
24.	Eatgood Technologies Private Limited	22.2%
25.	One97 Communications FZ-LLC	100%
26.	One97 Communications Nigeria Limited	100%
27.	One97 Communications Singapore Private Limited[6]	100%
28.	One97 USA Inc.	100%

[1] 9.99% of equity shares are held by Paytm Payments Bank Limited and 90.01% of equity shares are being held by Paytm Financial Services Limited.
[2] Wholly owned subsidiary of Little Internet Private Limited
[3] Wholly owned subsidiary of Urja Money Private Limited
[4] Wholly owned subsidiary of Mobiquest Mobile Technologies Private Limited
[5] Joint Venture of Paytm Entertainment Limited
[6] OCIL wholly owned subsidiary of the Company holds 43.75%

29.	One97 Communications Tanzania Private Limited *	100%
30.	One97 Communications Rwanda Private Limited *	100%
31.	One97 Communications Bangladesh Private Limited*	70%
32.	One97 Communications Uganda Limited*	100%
33.	One 97 Malaysia Sdn. Bdn.*	100%
34.	One 97 Benin SA*	100%
35.	One 97 Ivory Coast SA*	100%
36.	Paytm Labs Inc. *	100%
37.	One Nine Seven Communication Nepal Private Limited*	100%
38.	One Nine Seven Digital Solutions Limited*	100%
39.	One Nine Seven Communications Saudi Arabia For Communication and Information Technology (One member LLC)*	100%
40.	Paytm First Games Singapore Pte. Ltd.[7]	55%
41.	Paytm Technology (Beijing) Co., Ltd.[8]	55%

* Subsidiary of One97 Communications Singapore Private Limited
* Including shares held by other parties on behalf of Company.

Your Company had complied with all applicable provisions under the Companies Act, 2013 and Foreign Exchange Management Act ("FEMA") 1999 in relation to investment and the certificate from statutory auditor in respect to downstream investment compliance under FEMA will be procured.

During the year under review, following changes took place:

1. The status of Paytm Insuretech Private Limited (formerly known as QorQl Private Limited) changed from wholly owned subsidiary of the Company to an Associate Company.
2. Paytm Payments Services Limited was incorporated as a wholly owned subsidiary of the Company.
3. The status of Paytm Financial Services Limited changed from wholly owned subsidiary of the Company to an Associate Company.
4. Foster Payment Networks Private Limited (FPNPL) was incorporated as an Associate Company of Paytm Financial Services Limited (PFSL) and Paytm Payments Bank Limited. As at the end of financial year March 31, 2021 FPNPL became subsidiary of PFSL.
5. Loginext Solutions Private Limited ceased to be Associate of the Company.

A report on the performance and financial position of each of the subsidiaries and associates as per the Companies Act, 2013 is provided in **Annexure-1**.

ANNUAL RETURN

In accordance with section 134(3)(a) of the Companies Act, 2013, the copy of annual return is available on Company's website at https://one97.com/documents/Annual_Return.pdf

PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not provided any guarantees covered under section 186 of the Companies Act, 2013. The Investments and the Loans made by the Company are provided in the standalone financial statements. (Refer Note no. 5, 6, 7(a), 7(b) and 7(c).

[7] WOS of Paytm First Games Private Limited
[8] WOS of Paytm First Games Private Limited

PARTICULAR OF CONTRACT AND ARRANGEMENT MADE WITH RELATED PARTIES

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract or arrangement with related parties which could be considered as 'material' (i.e. transactions which were required to be placed before the members of the Company) according to the policy of the Company on materiality of Related Party Transactions.

PUBLIC DEPOSITS

In terms of the provisions of Sections 73 of the Act read with the relevant Rules of the Act, the Company had no opening or closing balances and also has not accepted any deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2021.

DISCLOSURES OF AMOUNTS, IF ANY, TRANSFERRED TO ANY RESERVES

Due to the losses incurred by the Company during the period under review it is not proposed to carry any amount to any reserves. Hence, disclosure under Section 134(3)(j) of the Companies Act, 2013 is not required.

INTERNAL CONTROL SYSTEM

Your Company has established a robust system of internal controls to ensure that assets are safeguarded and transactions are appropriately authorized, recorded and reported. The Company's internal control system comprises internal audit carried out by KPMG, Chartered Accountants and periodical review by management. The Audit Committee of the Board addresses significant issues raised by both, the Internal Auditors and the Statutory Auditors. The Company has also implemented compliance tool to centrally monitor the compliances of all applicable laws to the Company. The Company had engaged independent agency to conduct independent check on the effectiveness and robustness on the Internal Financial Control System. The Company believes that the overall internal control system is dynamic and reflects the current requirements at all times, hence ensuring that appropriate procedures and controls, in operating and monitoring practices are in place.

MAINTENANCE OF COST RECORDS

The Company is not required to maintain any cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013.

HUMAN RESOURCE MANAGEMENT

One97 recognizes human resource to be the most valuable asset of the Company. People development continues to be a key focus area at One97. The Company continues to pay a focused attention on the development of human relations within the organization. One97 believes in building a culture of innovation and creativity where our employees are inspired to achieve excellence in their area of functioning.

A statement containing the names of employees employed during the financial year ended 31st March, 2021 as under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 may be availed by the members by making a written request to the Company Secretary of the Company at the e-mail id: compliance@paytm.com.

RISK MANAGEMENT POLICY

The Company has a robust Risk Management Framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The Company has identified various risks and also has mitigation plans for each risk identified. The Board of Director periodically review the Risk Management Framework & approves the necessary changes required therein.

Risk mitigation continues to be a key area of concern for the Company, which has regularly invested in insuring itself against unforeseen risks. The Company's insurable assets like server, computer equipment, office equipment, furniture & fixtures etc. have been adequately insured against major risks. The Company has also taken appropriate Directors' & Officers' Liability Insurance Policy to cover the risk on account of claims, if any, filed against the Company.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the Section 135(5) of Companies Act, 2013, the Company is not fulfilling the criteria of having average net profit for immediate three preceding financials years. Accordingly, the Company is not required to spend amount in the CSR activities during the financial year.

VIGIL MECHANISM/ ANTI BRIBERY & WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/ Anti Bribery & Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The policy aims that its directors, officers and employees strictly comply with all applicable laws and regulations and observe the highest standards of business ethics in India and foreign countries.

In addition, the Company has also set up a whistle-blower helpline, to enable employees to report any violations of this Policy. The identity of the complainants are kept confidential during investigations and may be disclosed only on a 'need-to-know' basis to others. The Company also accepts anonymous complaints.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange earned (accrual basis) by the Company during the year under review was INR 155,483,452 as compared to INR 360,472,002 during the previous financial year 2019-20.

Total foreign exchange expenditure incurred (accrual basis) by the Company during the year under review was INR 3,850,334,056 as compared to INR 2,794,361,398 during the previous financial year 2019-20.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Being in service sector, the particulars relating to conservation of energy, technology absorption as required to be disclosed under the Act are not applicable to the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no material litigations outstanding as on March 31, 2021, except as disclosed in the financial statement.

OTHER DISCLOSURE UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in the report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year and the date of report.

The Board of Directors informs the member that during the financial year there has been no material changes, except as disclosed elsewhere in the report:

- In the nature of Company's business.
- Generally in the classes of business in which the Company has interest.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the directors had prepared the annual accounts on a going concern basis; and

e. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS & AUDITOR'S REPORT

Statutory Auditors

At the 18th Annual General Meeting held on September 28, 2018, M/s. Price Waterhouse Chartered Accountants LLP (FRN No. 012754N/N500016), were appointed as statutory auditors of the Company to hold office till the conclusion of the 23rd Annual General Meeting of the Company.

The points raised in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report is enclosed with the Financials Statements of the Company. The Auditors' Report does not contain any adverse remarks or qualifications.

Secretarial Auditors and Secretarial Standards

M/s PI & Associates, Practicing Company Secretaries were appointed to conduct the secretarial audit of the Company for the FY 2020-21, as required under Section 204 of the Companies Act, 2013 and corresponding rules framed thereunder. The Secretarial Audit Report for fiscal 2020-21 forms part of the Annual Report as **Annexure-2** to this Report. The Secretarial Audit Report does not contain any qualification, reservation and adverse remark. The Company has adhered to the applicable Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India during the Financial Year 2020-21.

CORPORATE GOVERNANCE

Your Company strives to attain high standards of corporate governance while interacting with all the stakeholders. The increasing diversity of the investing community and the integrated nature of global capital markets render corporate governance a vital issue for investors. The Company believes that timely disclosures, transparent accounting policies and a strong independent Board go a long way in maintaining good corporate governance, preserving shareholders trust and maximizing long term corporate value. In pursuit of corporate goals, the Company accords high importance to transparency, accountability and integrity in its dealings. Our philosophy on Corporate Governance is driven towards welfare of all the Stakeholders and the Board of Directors remains committed towards this end.

The Board of Directors supports the broad principles of Corporate Governance and lays strong emphasis on its role to align and direct the actions of the Company in achieving its objectives.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation and gratitude for the valuable support received from the Government and regulatory Authorities, Company's Bankers, Financial Institutions, Customers and shareholders/Investors for their continuous support during the year and look forward to continued support and co-operation in future.

The Board also acknowledges and appreciates the exemplary efforts and hard work put in by all employees who are part of the One97 family and look forward to their continued support and participation in sustaining the growth of the Company in the coming years.

For and on behalf of the Board
One 97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman
DIN: 00466521

Date: May 28, 2021
Place: New Delhi, India

Annexure-1

AOC-1

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013

Part A: Subsidiaries

S. No.	Name of Subsidiary Company	Reporting Period	Reporting Currency	Share capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments *	Turnover#	Profit before Taxation	Provisions for Taxation	Profit After Taxation	% shareholding
1	One97 Communications India Limited	April to March	INR	831,500,000	(5,331,720)	828,890,630	2,722,349	724,335,000	10,592,128	775,720	498,450	277,270	100.0%
2	Paytm Entertainment Limited	April to March	INR	788,737,553	1,453,038,280	2,243,144,100	1,368,270	1,397,522,280	23,603,750	19,717,030	5,164,100	14,552,930	100.0%
3	Paytm Money Limited	April to March	INR	2,588,700,000	(2,099,190,000)	1,363,670,000	874,160,000	-	122,316,000	(819,442,000)	-	(819,442,000)	100.0%
4	Mobiquest Mobile Technologies Private Limited	April to March	INR	3,611,820	58,067,129	118,600,010	56,921,060	-	142,042,410	(12,14,654)	-	(12,14,654)	65.71%
5	Wasteland Entertainment Private Limited	April to March	INR	516,730	245,264,000	419,009,000	173,228,000	-	230,012,761	(244,364,000)	-	(244,364,000)	100 %
6	Urja Money Private Limited	April to March	INR	31,156,080	(22,958,000)	33,581,000	25,383,000	1,000,000	13,030,000	(49,800,000)	-	(49,800,000)	67.47%
7	Little Internet Private Limited	April to March	INR	223,833,000	(352,123,000)	15,278,000	143,567,000	-	4,986,000	(83,410,000)	-	(83,410,000)	62.53%
8	Orbgen Technoloiges private Limited	April to March	INR	9,749,000	88,190,000	156,169,964	58,231,000	-	75,848,629	(114,321,000)	-	(114,321,000)	100.0%
9	Paytm Payment Services Limited	October to March	INR	500,000,000	(6,345,697)	505,026,576	11,372,273	-	5,041,886	(6,345,697)	-	(6,345,697)	100.0%
10	Paytm Insurance broking private limited	April to March	INR	750,000,000	(337,566,337)	447,710,763	35,277,100	-	40,152,903	(320,027,476)	-	(320,027,476)	100.0%
11	Paytm Services Private Limited	April to March	INR	30,000,000	5,570,950	205,119,858	169,548,910	-	980,515,670	18,757,970	8,009,976	10,747,994	100.0%
12	Xceed IT Solutions Private Limited	April to March	INR	500,000	101,353	688,519	87,166	-	38,136	(723)	-	(723)	65.71%
13	Nearbuy India Private Limited	April to March	INR	8,572,420	(170,427,000)	79,760,000	241,615,000	-	112,796,000	(107,729,000)	-	(107,729,000)	62.53%
14	Fincollect Services Private Limited	April to March	INR	1,000,000	(20,346,000)	27,839,000	47,185,000	-	39,506,000	(2,405,000)	-	(2,405,000)	67.47.%
15	One97 Communications Nigeria Limited	April to March	NGN 0.19225	29,59,872	(14,05,04,981)	6,32,11,947	20,07,57,056	-	89,84,926	(37,70,886)	10,04,323	(47,75,209)	100%
16	One97 Communications FZ-LLC	April to March	AED 19.935	2,08,47,000	6,15,59,295	17,71,96,041	9,47,89,746	-	15,55,79,725	6,53,57,724	-	6,53,57,724	100%
17	One97 Communications Rwanda Private Limited	April to March	RWF 0.07335	1,07,08,440	(86,71,241)	24,62,589	4,25,390	-	-	(8,00,526)	-	(8,00,526)	100%
18	One97 Communications Tanzania Private. Ltd.	April to March	TZS 0.03158	5,25,35,782	80,20,086	5,21,29,267	(84,26,601)	-	2,35,71,653	76,08,578	13,55,248	62,53,330	100%
19	One97 Communications Bangladesh Private Ltd	July to June	BDT 0.84884	47,00,146	9,89,20,205	12,99,95,046	2,63,74,695	-	6,11,73,472	4,88,70,971	-	4,88,70,971	70%
20	One97 Ivory Coast SA	January to December	XOF 0.13105	13,10,500	(30,08,373)	(4,92,261)	12,05,612	-	-	1,74,988	-	1,74,988	100%
21	One97 Benin SA	January to December	XOF 0.13105	13,10,500	(1,12,58,060)	1,34,56,252	2,34,03,811	-	12,42,442	(47,37,846)	-	(47,37,846)	100%
22	One97 Uganda Ltd	April to March	UGX 0.01989	2,64,93,480	(2,35,33,065)	(15,23,201)	(44,83,615)	-	75,761	41,61,113	-	41,61,113	100%
23	One97 Communications Singapore Private Ltd	April to March	SGD 54.3317	53,54,98,668	114,166,169	691,513,666	41,848,829	585,093,133	277,735,338	244,115,479	37,088,557	19,63,42,647	100%
24	Paytm Labs Inc	April to March	CAD 58.0641	353,085,670	507,156,780	1,158,235,013	297,992,508	-	1,851,173,233	278,997,703	(18,924,890)	297,922,593	100%

25	One97 USA Inc	January to December	USD 73.2361	3,47,57,660	(2,93,37,398)	41,17,369	(13,02,893)	-	(8,09,185)	(20,94,584)	1,32,466	(22,27,050)	100%
26	One 97 Communciations Malaysia Sdn. Bhd.	April to March	MYR 17.6433	1,763,987	22,802,711	364,726,495	340,159,797	-	251,072,186	10,560,162	5,548,515	5,011,647	100%
27	One97 Communication Nepal Private Limited	Shrawan to Ashad (16 July to 15 July)	NPR 0.62069	31,03,450	56,91,209	8,07,67,569	7,19,72,910	-	3,22,30,080	25,61,642	4,36,512	21,25,130	100%
28	One Nine Seven Digital Solutions Ltd	January to December	KES 0.66217	33,10,784	(5,60,624)	30,50,179	3,00,019	-	25,372	(5,81,697)	-	(5,81,697)	100%
29	One Nine Seven Communications Saudi Arabia For Communication and Information Technology .	January to December	SAR 19.5176	-	(28,55,631)	1,12,94,880	1,41,50,511	-	-	(28,78,601)	-	(28,78,601)	100%

* Investments are net off Impairment
# Turnover including other income

1. Paytm Financial Services limited and Paytm Insuretech Private Limited (Qorql) ceased to be subsidiaries of One97 Communications Limited
2. Paytm Payment Services Limited is yet to commence its operations

Part B: Associates and Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of Associate / Joint venture Company	Paytm Payment Bank Limited	Paytm Financial Services Limited**	Paytm General insurance limited**	Paytm life insurance limited**	Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited)
1	Latest audited / (unaudited) Balance Sheet Date	31-03-2021 Audited	31-03-2021 Audited	31-03-2021 Unaudited	31-03-2021 Unaudited	31-03-2021 Audited
2	Date on which the Associate / Joint Venture was acquired	Not Applicable	February 23, 2021	Not Applicable	Not Applicable	Not Applicable
3	Shares of Associate/Joint Ventures held by the company on the year end					
	No.	195,904,900	2,000,000	980,000	49,000	68,233,850
	Amount of Investment in Associates/Joint Venture	INR 195.9 Cr	INR 2.00 Cr	INR 0.98 Cr	INR 0.05 Cr	INR 139.75 Cr
	Extend of Holding%	49%	48.78%	49%	49%	55%
4	Description of how there is significant influence	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.
5	Reason why the Joint Venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	As per the requirement of Ind AS
6	Networth attributable to Shareholding as per latest audited/unaudited Balance Sheet	INR 200.63 Cr	INR 1.94 Cr	Nil	INR 0.04 Cr	NIL
7	Profit/(Loss) for the year (Share of Group)					
	(i). Considered in Consolidation	INR 9.21 Cr	INR (0.06) Cr	INR (0.49) Cr	INR (0.01) Cr	INR (78.16) Cr
	(ii). Not Considered in Consolidation	Not Applicable	Not Applicable	INR (5.87) Cr	Not Applicable	INR (31.95) Cr

S. No.	Name of Associate / Joint venture Company	Paytm Insuretech Private limited	Foster Payment Networks Private Limited**	Infinity Transoft solutions private limited	Eatgood Technologies Private Limited	Paytm First Games Singapore Pte. Ltd.**	Paytm Technology (Beijing) Co, Ltd **##	Socomo Technologies Private Limited
1	Latest audited / (unaudited) Balance Sheet Date	31-03-2021 Audited	31-03-2021 Audited	31-03-2021 Unaudited	31-03-2021 Unaudited	31-03-2021 Audited	31-03-2021 Unaudited	31-03-2021 Unaudited
2	Date on which the Joint Venture was acquired	June 18, 2020	March 26, 2021	August 16, 2019	December 2, 2019	January 02, 2020	October 13, 2020	Not Applicable
3	Shares of Associate/Joint Ventures held by the company on the year end							
	No.	2,560,938	Not Applicable^	3,618 CCPS	2,879 equity shares/ 72,373 CCPS	Not Applicable^^	Not Applicable^^	28,800 CCPS
	Amount of Investment in Associates/Joint Venture	Nil	Not Applicable^	INR 10.00 Cr	INR 27.17 Cr	Not Applicable^^	Not Applicable	Nil
	Extend of Holding%	48.98%	48.80%	26.57%	22.20%	55.00%	55.00%	11.32%
4	Description of how there is significant influence	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	The Company is holding significant stake in the Company.	Representation on the board of directors or equivalent governing body of the investee;
5	Reason why the Joint Venture is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Net worth attributable to Shareholding as per latest audited/unaudited Balance Sheet	INR 0.97 Cr	INR 24.48 Cr	(1.65) Cr	INR 1.76 Cr	INR 0.98 Cr	Not Applicable	Nil
7	Profit/Loss for the year (Share of Group)							
	(i). Considered in Consolidation	Nil	Nil	INR (1.01) Cr	INR (3.49) Cr	Nil	Nil	Nil
	(ii). Not Considered in Consolidation	INR (0.16) Cr	Nil	Not Applicable	Not Applicable	INR (1.04) Cr	Not Applicable	Not Applicable

Loginext Solutions Private Limited ceased to be Associate of One97 Communications Limited
** These Companies are yet to commence operations
The Company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the Company.
^Shares are held by two associate companies of the Group i.e. Paytm Financial Services Limited and Paytm Payments Bank Limited
^^Shares are held by a Joint Venture of the Group, i.e. Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited)
Investments are net off Impairment

For One97 Communications Limited

Place: New Delhi
Date: May 28, 2021

Vijay Shekhar Sharma
Chairman
DIN: 00466521

DRAFT FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Board of Director,
One 97 Communications Limited
(U72200DL2000PLC108985)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **One 97 Communications Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 as mentioned in ***Annexure-A and Annexure-B***, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *(Not Applicable to the Company during the audit period)*

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; *(Not Applicable to the Company during the audit period)*

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; *(Not applicable to the Company during the audit period)*

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; *(Not applicable to the Company during the audit period)*

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(Not applicable to the Company during the audit period)*

d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(Not applicable to the Company during the audit period)*

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company during the audit period)*

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable to the Company during the audit period)*

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the audit period)* and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(Not applicable to the Company during the audit period)*

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (incl. Labour Laws, Tax Laws, etc) and as informed to us, there are no laws which are specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India wherein the Company is generally regular in complying with the standards and

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015. *(Not applicable to the Company during the audit period)*

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove.

We further report that:

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

II. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except few Board Meetings and Committee Meetings which were held on shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

III. Majority decisions were carried through and there were no instances where any director expressing any dissenting views.

We further report that as informed to us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that The company has attempted filing of e-forms for certain resolutions passed in its Board Meeting held on March 11, 2020 and a special resolution passed in extraordinary general meeting held on March 19, 2020 post some inadvertent delays and as a process laid out by ROC, the MCA portal is showing a message to file these along with approval from MCA for condonation of delay. The company is in the process of filing the condonation application with MCA and immediately upon receiving the approval, these forms will be filed.

We further report that during the audit period the following events have occurred in the Company:

i. The Board of Directors approved to accord consent of the Board to invest upto US $ 12 mn (approx. INR 90 crores) in Paytm Insurance Broking Private Limited (wholly owned subsidiary), in one or more tranches;

ii. The Board of Directors approved to invest upto US $ 14 mn (approx. INR 105 crores) in Paytm Money Limited (wholly owned subsidiary), in one or more tranches;

iii. The Board of Directors approved to invest upto $11 million in Paytm First Games Private Limited (Joint Venture), in one or more tranches, through Paytm Entertainment Limited (wholly owned subsidiary of the Company);

iv. The Board of Directors approved to acquire 100% of equity shares of Wasteland Entertainment Private Limited, in one or more tranches;

v. The Board of Directors approved the incorporation of a wholly owned subsidiary company "Paytm Payments Services Limited", and to subscribe 5,00,00,000 equity shares of the Company amounting to INR 50,00,00,000;

vi. The Board of Directors has approved to transfer the license of Bharat Bill Payment Services (BBPS) business of the Company to Paytm Payments Bank Limited on a going concern basis by way of slump sale;

vii. The Company in its extra-ordinary general meeting held on September 2, 2020 and March 26, 2021 has approved the amendments in One97 Employees Stock Option Scheme, 2008 and One97 Employees Stock Option Scheme, 2019 and Remuneration of Mr. Vijay Shekhar Sharma for FY 2019-20.

viii. The Company has availed financial assistance by way of overdraft facility of INR 500 crores and INR 300 Crore of Bank Guarantee from ICICI Bank Limited in addition to existing of INR 1400 crores working capital facility.

For PI & Associates,
Company Secretaries

Sd/-
Nitesh Latwal
Partner
ACS No.: 32109
CP No.: 16276
Date: May 28, 2021
Place: New Delhi
UDIN: A032109C000408870

Disclaimer:
The above report is subject to the review of the Audited Financial Statements for the year ended March 31, 2021 with Auditor's Report. Further, this report is to be read with our letter of even date which is annexed as "Annexure A and B" and forms an integral part of this report.

"Annexure A"

Under Companies Act, 2013: -

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2020.
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee, along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year ended March 31, 2021 under report.
5. Statutory Registers as per Companies Act 2013.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 149(6) & (7), Section 164 and Section 184 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Various Policies framed by the Company required under the Companies Act, 2013 viz. Nomination and Remuneration Policy, Corporate Social Responsibility Policy, Board Evaluation Policy etc.
10. Documents pertaining to Appointment, Resignation of Directors and KMP.
11. Other relevant documents as required to be maintained and published on website by the Company.
12. External Expert's Opinion shared with the us while framing our view on the relevant matter(s) that come across during the audit.

It is to be noted that due to Covid-19 situation in the Country and in compliance of the Covid-19 norms issued by the Government of India and State Governments from time to time, the Firm had carried out the audit virtually and the documents, registers, forms, etc. were made available to us by the company through electronic medium. Further, wherever possible we have also taken confirmations from the company but the audit, as conducted, is subject to limitation of availability of documents due to continuous restrictions imposed by governments.

"Annexure B"

To,
The Members,
One 97 Communications Limited

Our Secretarial Audit Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For PI & Associates,
Company Secretaries

Sd/-

Nitesh Latwal

Partner

ACS No.: 32109

CP No.: 16276

Date: May 28, 2021

Place: New Delhi

UDIN: A032109C000408870

Independent Auditor's Report

To the Members of One97 Communications Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of One97 Communications Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2021, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2021, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 Standalone 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 Standalone 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.

Emphasis of Matter

4. We draw your attention to the following matters:

   a) Note 2.1 to the Standalone Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the Standalone Financial Statements as it does not impact the current financial year, however, in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Price Waterhouse Chartered Accountants LLP, Building No. 8, 7Th & 8Th Floor, Tower - B, DLF Cyber City, Gurgaon - 122 002
T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

b) Note 35 to the Standalone Financial Statements relating to:

i. non-settlement of foreign currency payables as at March 31, 2021 amounting to INR 0.01 crores and INR 0.16 crores, due for more than twelve months (time period extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) issued by RBI. The Company had applied to the Authorised Dealer (AD) seeking permission for extension of time period for settlement of the payables. Further, during this year, the Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 0.06 and INR 0.11, respectively and approval is currently awaited.

ii. non-realisation of foreign currency receivables as at March 31, 2021 amounting to INR 8.85 crores and INR 20.41 crores, due for more than fifteen months (time period extended from nine months via RBI circular RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020) and three years, respectively from the date of exports, and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), respectively, issued by the RBI. The Company has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020. Further, an application has been made to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit and write off receivable balances and approval is currently awaited.

Our opinion is not modified in respect of the above matters.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone Financial Statements

6. 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Standalone 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 Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ("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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 A".

    (g) 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 28 (c) to the Standalone Financial Statements.

        ii. The Company had long-term contracts including derivative contracts as at March 31, 2021 for which there were no material foreseeable losses.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 21058507AAAAAY8354

Place: Gurugram
Date: May 28, 2021

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements as of and for the year ended March 31, 2021

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

1. We have audited the internal financial controls with reference to financial statements of One97 Communications Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

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

5. 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 system with reference to financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements as of and for the year ended March 31, 2021

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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

7. 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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 (a) of our main audit report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 21058507AAAAAY8354

Place: Gurugram
Date: May 28, 2021

Annexure B to Independent Auditor's Report

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets of the Company, have been physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. According to the information and explanations given to us, the existence of point of sale machines and sound boxes lying with customers is considered on the basis of the 'active user status' of the customers which is tracked from payment gateway panel.

(b) The title deeds of immovable properties, as disclosed in Note 3 (b) on Right to use assets to the Standalone Financial Statements, are held in the name of the Company.

ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services provided by the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of professional tax and labour welfare fund, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs , duty of excise , value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 28(c)(ii) to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2021, for a period of more than six months from the date they became payable are as follows:

Name of the statute	**Nature of dues**	**Amount (Rs.)**	**Period to which the amount relates**	**Due date**	**Date of Payment**
Profession Tax Act	Profession Tax	407,514	Various Dates	Various Dates	Not yet paid
Labour Welfare Fund Act	Labour Welfare Fund	3,081	Various Dates	Various Dates	Not yet paid

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows-

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Non-deduction of tax deducted at source	3,618,940	AY 2013-14	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Non-deduction of tax deducted at source	12,500,098	AY 2014-15	Commissioner of Income-tax (Appeals)

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 14 of our main audit report.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has made private placement of shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2021

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 21058507AAAAAY8354

Place: Gurugram
Date: May 28, 2021

Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Balance Sheet as at March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	275.02	242.97
Right-of-use-assets	3(b)	106.46	252.84
Capital work in progress		20.18	11.73
Intangible assets	4	8.95	11.82
Intangible assets under development		2.52	0.16
Investment in subsidiaries	5	943.90	618.05
Investment in associates	6	196.20	215.54
Financial assets			
Investments	7(a)., 7(b)	11.99	222.70
Loans	7(c)	122.67	155.23
Other financial assets	7(d)	209.84	1,970.41
Current tax assets		285.45	484.08
Other non-current assets	9	278.45	84.00
Total Non-Current Assets		**2,461.63**	**4,269.53**
Current assets			
Financial assets			
Investments	7(a).	147.18	3,155.51
Trade receivables	8	372.77	327.50
Cash and cash equivalents	10(a)	294.76	285.60
Bank balances other than cash and cash equivalents	10(b)	2,277.79	83.76
Loans	7(c)	177.97	69.33
Other financial assets	7(d)	2,350.90	1,029.08
Other current assets	9	1,396.57	1,286.71
Total Current Assets		**7,017.94**	**6,237.49**
TOTAL ASSETS		**9,479.57**	**10,507.02**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11(a)	60.48	60.43
Other equity	11(b)	6,924.03	8,351.02
Total Equity		**6,984.51**	**8,411.45**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3(b)	26.06	169.90
Contract Liabilities	14(b)	411.91	342.25
Provisions	12	20.50	16.68
Total Non-Current Liabilities		**458.47**	**528.83**
Current liabilities			
Financial liabilities			
Borrowings	13(a)	544.40	201.09
Lease liabilities	3(b)	17.89	34.10
Trade payables			
(a) Total Outstanding dues of micro and small enterprises	13(b)	5.13	11.33
(b) Total Outstanding dues other than (a) above	13(b)	608.59	562.05
Others financial liabilities	13(c)	416.02	199.15
Contract Liabilities	14(b)	153.95	317.06
Other current liabilities	14(a)	253.90	194.80
Provisions	12	36.71	47.16
Total Current Liabilities		**2,036.59**	**1,566.74**
Total Liabilities		**2,495.06**	**2,095.57**
TOTAL EQUITY AND LIABILITIES		**9,479.57**	**10,507.02**

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.

This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Profit and Loss for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	15	2,667.08	3,115.10
Other income	16	374.88	147.41
Total income		**3,041.96**	**3,262.51**
Expenses			
Payment processing charges		1,913.10	2,256.51
Marketing and promotional expenses		520.95	1,365.57
Employee benefits expense	17	833.90	825.12
Software, cloud and data centre expenses		320.73	332.11
Depreciation and amortization expense	19	156.78	143.18
Finance costs	18	33.68	45.56
Other expenses	20	757.80	805.41
Total expenses		**4,536.94**	**5,773.46**
Loss before exceptional items and tax		**(1,494.98)**	**(2,510.95)**
Exceptional items	21	(65.00)	(322.18)
Loss before tax		**(1,559.98)**	**(2,833.13)**
Income Tax expense			
Current tax	27	0.22	0.05
Total Tax expense		**0.22**	**0.05**
Loss for the year		**(1,560.20)**	**(2,833.18)**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-mesurement losses on defined benefit plans	26	(1.54)	(0.70)
Changes in fair value of equity instruments at FVTOCI		-	0.20
Total Other Comprehensive Income/(Loss) for the year		**(1.54)**	**(0.50)**
Total Comprehensive Income/ (Loss) for the year		**(1,561.74)**	**(2,833.68)**
Basic & Diluted Earnings per share (INR per share)	22	(259.13)	(486.58)

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Cash Flows for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities:			
Loss before tax		**(1,559.98)**	**(2,833.13)**
Adjustments for			
Depreciation and amortization expense	19	156.78	143.18
Interest income	16	(217.56)	(55.90)
Interest Income on unwinding of discount - financial assets measured at amortized cost	16	(21.26)	(33.27)
Interest on borrowing at amortized cost	18	22.48	24.91
Interest and finance charges on lease liabilities	18	10.29	20.40
Gain on leases termination		(3.82)	-
Trade receivables / advance written off	20	6.02	1.96
Provision for advances	20	0.44	0.09
Loss allowance for financial assets	20	47.03	35.76
Provision for impairment of investments in associates and subsidiaries	21	65.00	311.67
Liabilities / provision no longer required written back	16	-	(5.12)
Property, plant and equipment and intangible assets written off	20	0.32	0.03
Non-cash employee share based payment expenses	17	86.74	123.53
Provision for employee incentive		6.70	46.72
Fair value gain on financial instruments measured at FVTPL (net)	16	(89.09)	(35.98)
Loss on sale of investment in associates and subsidiaries	21	-	10.51
Profit on sale of property, plant and equipment (net)	16	(1.85)	(1.10)
Operating loss before working capital changes		**(1,491.76)**	**(2,245.74)**
Working capital adjustments:			
Increase/(decrease) in trade payables		40.33	(94.78)
Increase/(decrease) in provisions		(8.17)	16.86
Increase /(decrease) in other current liabilities and contract liabilities		(34.35)	348.22
Increase/(decrease) in other financial liabilities		202.14	(496.56)
(Increase)/decrease in trade receivables		(70.97)	(120.72)
(Increase)/decrease in other financial assets		(534.82)	269.48
(Increase)/decrease in other current and non current assets		(292.16)	151.90
(Increase)/decrease in loans		(11.09)	(45.65)
Cash used in operations		**(2,200.85)**	**(2,216.99)**
Income taxes (net off refunds)		198.63	(25.44)
Net cash outflow from operating activities (A)		**(2,002.22)**	**(2,242.43)**
Cash flow from investing activities:			
Purchase of property, plant and equipment including intangible assets, work in progress and capital advances		(177.89)	(172.10)
Proceeds from sale of property, plant and equipment		4.66	4.01
Investment in bank deposits		(2,066.14)	(1,442.72)
Maturity of bank deposits		1,022.26	116.48
Proceeds from repayment of inter corporate loans		0.54	244.61
Inter corporate loans given		(79.00)	(7.00)
Proceeds from sale of non current investments		103.57	0.67
Investments in subsidiaries and associates		(344.98)	(242.33)
Payment for purchase of investments		(4.60)	-
Proceeds from sale of current investments		9,911.38	7,244.53
Payment for purchase of current investments		(6,742.16)	(7,960.75)
Interest received		90.33	33.73
Net cash inflow / (outflow) from investing activities (B)		**1,717.97**	**(2,180.87)**

One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Cash Flows for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from financing activities:			
Proceeds from issue of shares		10.72	5,054.05
Share issue expenses		-	(14.04)
Share application money received during the year		0.20	*
Repayment of term loan		(72.91)	(60.61)
Net change in working capital demand loan		(84.66)	128.18
Interest paid		(32.77)	(45.07)
Proceeds from loan		-	133.52
Principal elements of lease payments		(28.06)	(26.85)
Net cash inflow / (outflow) from financing activities (C)		**(207.48)**	**5,169.18**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(491.72)**	**745.88**
Cash and cash equivalent at the beginning of the year		285.60	(460.28)
Cash and cash equivalent at the end of the year		**(206.12)**	**285.60**

Cash and cash equivalents as per above comprises of following		**March 31, 2021**	**March 31, 2020**
-Cash and cheque on hand		0.06	3.37
Balance with banks			
- On current accounts		112.90	272.73
- Deposits with original maturity of less than 3 months		181.80	9.50
Cash and cash equivalents	10(a)	**294.76**	**285.60**
- Bank overdraft	13(a)	(500.88)	-
Total cash and cash equivalents		**(206.12)**	**285.60**

* Amount below rounding off norms adopted by the company
For non-cash additions and deletions in Right-of-use-assets refer note 3(b).

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Changes in Equity for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

a) Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of Shares	Amount
At April 1, 2019	**57,256,129**	**57.53**
Shares issued during the year#	2,803,511	2.77
Shares issued during the year - ESOP	128,015	0.13
At March 31, 2020*	**60,187,655**	**60.43**
Shares issued during the year#	29,979	0.01
Shares issued during the year - ESOP	42,379	0.04
At March 31, 2021*	**60,260,013**	**60.48**

* Net of treasury shares 222,391 (March 31, 2020: 247,370) at nil cost through employee welfare trust
# Shares issued during the year includes 24,979 (March 31, 2020: 30,367) shares issued out of treasury shares

b) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus			Other reserves	Total Other Equity
		Security Premium	Retained earnings	ESOP Reserve	FVTOCI	
As at April 1, 2019	**-**	**13,822.69**	**(8,040.40)**	**198.46**	**(2.25)**	**5,978.50**
Loss for the year	-	-	(2,833.18)	-	-	(2,833.18)
Other Comprehensive income	-	-	(0.70)	-	0.20	(0.50)
Total comprehensive income/ (loss)	**-**	**-**	**(2,833.88)**	**-**	**0.20**	**(2,833.68)**
Adjustment on forfeiture of ESOP	-	-	0.19	(0.19)	-	-
Adjustment on cancellation of unvested ESOP (Refer note 24)	-	-	28.43	(28.43)	-	-
Share based payment expenses (Refer note 24)	-	-	-	123.53	-	123.53
Share application money pending allotment	*	-	-	-	-	*
Amount received on issue of shares	-	5,051.15	-	-	-	5,051.15
Amount utilised for share issue expenses	-	(14.04)	-	-	-	(14.04)
Share based payment for employees of group companies (Refer note 24)	-	-	-	45.56	-	45.56
Amount transferred to security premium on exercise of ESOPs	-	35.92	-	(35.92)	-	-
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	-	0.54	-	(0.54)	-
As at March 31, 2020	*****	**18,895.72**	**(10,845.12)**	**303.01**	**(2.59)**	**8,351.02**
Loss for the year	-	-	(1,560.20)	-	-	(1,560.20)
Other Comprehensive income	-	-	(1.54)	-	-	(1.54)
Total comprehensive income/ (loss)	**-**	**-**	**(1,561.74)**	**-**	**-**	**(1,561.74)**
Adjustment on forfeiture of ESOP	-	-	14.82	(14.82)	-	-
Amount transferred to security premium on exercise of ESOPs	-	19.23	-	(19.23)	-	-
Share based payment expenses (Refer note 24)	-	-	-	86.74	-	86.74
Share based payment for employees of group companies (Refer note 24)	-	-	-	26.52	-	26.52
Share application money pending allotment	0.20	-	-	-	-	0.20
Amount received on issue of shares	-	10.67	-	-	-	10.67
Other adjustments	-	-	10.62	-	-	10.62
As at March 31, 2021	**0.20**	**18,925.62**	**(12,381.42)**	**382.22**	**(2.59)**	**6,924.03**

* Amount below rounding off norms adopted by the Company

The above Standalone Statement of Change in Equity should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

1. Corporate information

One97 Communications Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 ("the Act"). The registered office of the Company is located at 1st Floor, Devika Tower, Nehru Place, New Delhi - 110019. The principal place of business of the Company is in India.

The Company is in the business of providing a) payment and financial services which primarily includes payment facilitator services, facilitation of consumer and merchant lending to consumers and merchants, wealth management etc. b) commerce and cloud services which primarily consists of aggregator for digital products, ticketing business, providing voice and messaging platforms to the telecom operators and enterprise customers and other businesses, etc.

These standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 28, 2021.

2. Significant accounting policies

2.1 Basis of preparation

These standalone financial statements ("Financial Statements") of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policies on financial instruments and Share-based payments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company has applied the following amendments for the first time for year commencing from April 1, 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses significant additional disclosure requirements and also includes certain changes to the existing disclosures. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

All the amounts included in the financial statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest crores up to two decimal places, except per share data and unless stated otherwise.

Impact of COVID-19

Covid-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals.

The Company has considered the possible effects that may result from Covid-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Company has taken cognizance of internal and external information up to the date of approval of these standalone financial statements. The Company based on current estimates expects the carrying amount of the above assets will be recovered.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the standalone financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.
An asset is classified 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 classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

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

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

b. Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which it operates i.e. the “functional currency”. The Company’s financial statements are presented in INR, which is also the Company’s functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company’s functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or statement of profit and loss, are also recognised in OCI or statement of profit and loss, respectively).

c. Fair value measurement

The Company measures certain financial instruments (e.g. investments) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liabilities takes place either in the principal market for the asset or liability or in absence of principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities
Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Company provides incentives to its users in various forms including cashbacks. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. Typically, the Company has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Sale of services
Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the balance sheet as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability.

Commission
The Company facilitates recharge of talk time, bill payments and availability of bus tickets and earns commission for the respective services. Commission income is recognized when the control in services is transferred to the customer when the services have been provided by the Company.

Service fees from merchants
The Company earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Company i.e. as and when services have been provided by the Company. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Company pending settlement are disclosed as payable to the merchants under contract liabilities.

Other operating revenue
Where the Company is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognised as other operating revenue when there is a reasonable certainty that the Company will be able to realize the said amounts.

Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax

Credit of MAT is recognised as deferred tax asset only when it is probable that taxable profit will be available against which the credit can be utilised. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Company will pay normal income tax during the specified period.

Taxes paid on acquisition of assets or on incurring expenses

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in statement of profit and loss

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non- current assets or other current liabilities in the balance sheet.

f. Non-current assets held for sale and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.
Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations or
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

g. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a written down value basis to its residual value over its estimated useful life.
Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under the non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work in progress'.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the written down value method and charged to statement of profit and loss, unless such expenditure forms part of carrying value of another asset, as per the rates prescribed under schedule II of the Companies Act, 2013/ except for technical evaluation done by the management's expert for plant and machinery, given below:

Assets	**Rate of Depreciation (per annum)**
Servers and networking equipment (Computers)	39.30%
Laptops and desktops (Computers)	63.16%
Office equipment	45.07%
Furniture and fittings	25.89%
Plant & Machinery	45.07% / 63.16%
Vehicles	31.23%

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

Separately acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Intangible assets with finite useful lives are carried at cost and are amortised on a written down value basis over their estimated useful lives and charged to statement of profit and loss.

Software and licenses acquired are amortized at the rate of 40% per annum on written down value method.

The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of one to five years. Amortization is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in the statement of profit and loss in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Impairment of non-financial assets

For all non-financial assets, the Company assesses whether there are indicators of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount for an asset or CGU is the higher of its value in use and fair value less costs of disposal. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the asset or CGU is considered impaired and the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

In assessing value in use, the estimated future cash flows of the asset or CGU are discounted to their present value using a 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average

growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.
An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

k. Provisions and contingencies

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. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

l. Retirement and other employee benefits

For defined benefit plans (gratuity), the liability or asset recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in the subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company’s contributions to defined contribution plans (provident fund) are recognized in profit or loss when the employee renders related service. The Company has no further obligations under these plans beyond its periodic contributions.

The Company provides for liability at year end on account of un-availed earned leave as per actuarial valuation using projected unit credit method.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit payable under other financial liabilities in the balance sheet.

m. Share-based payments

i) Equity-settled transactions

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company’s best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.
Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company’s best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii) Cash-settled transactions

For awards classified as cash settled share based transactions, the goods or services acquired are measured and the liability incurred, at the fair value of liability. Until the liability is settled, the fair value of the liability is re-measured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in statement of profit and loss for the period.

The cost of cash-settled transactions is determined by the fair value of equity instruments at each reporting date using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in liability, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The Company has set up an Employee Welfare Trust (EWT) for administering certain types of share-based payment arrangements including awards given to employees of the outside group companies as well for awards of options of other companies given to its employees. The Company uses EWT as a vehicle for distributing shares under the ESOP schemes. The EWT holds shares of the Company, for giving shares to employees. The Company treats EWT as its extension and shares of the Company held by EWT are treated as treasury shares. Other assets held by EWT are consolidated on a line-by-line basis with Company's financial statements. Shares of other companies held by EWT for distribution to its employees are separately disclosed under investments.

n. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments in subsidiaries, associates and joint ventures are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of non-financial assets is followed.

Derecognition

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

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. For the financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include borrowings, lease liabilities, trade and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.
Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the standalone balance sheet and lease payments have been classified as financing cash flows.

q. Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

r. Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other reserve.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions. Refer note 33 for segment information presented.

t. Use of estimates

The Company is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgements about carrying values of assets and liabilities.

u. Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the financial statements. Significant impact on the financial statements arising from impairment of investments in subsidiaries and associates, gain/ loss on disposal of subsidiaries and associates (other than major lines of business that meet the definition of a discontinued operation) are considered and reported as exceptional items.

v. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(Amounts in INR crores, unless otherwise stated)

3(a). Property, plant and equipment

Particulars	Computers	Furniture and Fittings	Leasehold Improvements	Vehicles	Office Equipments	Plant & Machinery^	Leasehold Land*	Total
Gross carrying amount								
As at April 1, 2019	286.30	8.21	26.51	1.47	30.59	-	85.08	438.16
Additions	50.01	0.14	0.40	-	1.43	125.63	-	177.61
Disposals	13.32	1.14	-	-	1.17	-	-	15.63
Adjustment for change in accounting policy (Refer note 2.2p)	-	-	-	-	-	-	85.08	85.08
As at March 31, 2020	**322.99**	**7.21**	**26.91**	**1.47**	**30.85**	**125.63**	**-**	**515.06**
As at April 1, 2020	322.99	7.21	26.91	1.47	30.85	125.63	-	515.06
Additions	29.57	0.27	0.15	0.78	4.30	135.83	-	170.90
Disposals	4.35	3.31	19.79	1.14	8.27	0.16	-	37.02
As at March 31, 2021	**348.21**	**4.17**	**7.27**	**1.11**	**26.88**	**261.30**	**-**	**648.94**
Accumulated depreciation / amortisation								
As at April 1, 2019	140.96	3.58	10.09	0.81	13.28	-	0.72	169.44
For the year	73.16	1.15	3.58	0.20	4.10	33.78	-	115.97
Disposals	11.54	0.33	-	-	0.73	-	-	12.60
Adjustment for change in accounting policy (Refer note 2.2p)	-	-	-	-	-	-	0.72	0.72
As at March 31, 2020	**202.58**	**4.40**	**13.67**	**1.01**	**16.65**	**33.78**	**-**	**272.09**
As at April 1, 2020	202.58	4.40	13.67	1.01	16.65	33.78	-	272.09
For the year	53.14	0.55	10.65	0.19	3.73	67.46	-	135.72
Disposals	3.93	2.26	19.77	0.87	7.00	0.06	-	33.89
As at March 31, 2021	**251.79**	**2.69**	**4.55**	**0.33**	**13.38**	**101.18**	**-**	**373.92**
Net carrying amount								
As at March 31, 2021	**96.42**	**1.48**	**2.72**	**0.78**	**13.50**	**160.12**	**-**	**275.02**
As at March 31, 2020	**120.41**	**2.81**	**13.24**	**0.46**	**14.20**	**91.85**	**-**	**242.97**

Notes:

(i) Capital work in progress

Capital work in progress mainly comprises of servers. Further, Capital work-in-progress includes expenditure of INR 4.13 (March 31, 2020: INR 4.19) relating to expenses incurred on construction.

(ii) Refer to note 28 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

* Pursuant to the adoption of Ind AS 116 w.e.f.April 1, 2019, leased assets are presented as separate line items in the balance sheet, see note 3(b).

^ Plant and machinery includes Gross carrying amount INR 183.13 (March 31, 2020: INR 84.10), Accumulated depreciation INR 78.01 (March 31, 2020: INR 22.55), Net carrying amount INR 105.12 (March 31, 2020: INR 61.55) of point-of-sale machines and sound boxes installed at customer premise.

(Amounts in INR crores, unless otherwise stated)

3 (b). Leases

This note provides information for leases where company is lessee

(i) Amounts recognised in Balance sheet

Particulars	March 31, 2021	March 31, 2020
Right-of-use assets		
Land	82.46	83.41
Office Premises	24.00	169.43
Total	**106.46**	**252.84**

Lease Liabilities

Current	17.89	34.10
Non-Current	26.06	169.90
Total	**43.95**	**204.00**

Additions to right-of-use assets during the current financial year are INR 4.10 (March 31, 2020 INR 12.61)

(ii) Amounts recognised in Statement of profit and loss

Particulars	Notes	March 31, 2021	March 31, 2020
Depreciation charge of Right-of-use assets			
Land		0.95	0.95
Office Premises*		17.39	30.47
Total	19	**18.34**	**31.42**

Particulars	Notes	March 31, 2021	March 31, 2020
Interest expense (included in finance cost)	18	10.29	20.40
Expense relating to short-term lease/low value assets (included in other expenses)	20	0.95	5.88

* Out of above, INR 2.39 (March 31, 2020: INR 11.60) has been cross charged. Net depreciation charge of Right-of-use assets in profit & loss is INR 15.95 (March 31, 2020: INR 19.82).

During the year ended March 31, 2021, the Company has given notice to vacate certain office premises. This has been accounted as lease termination. Hence, in accordance with Ind AS 116, Lease Liability has been re-measured by INR 135.96 with corresponding adjustment to Right of Use assets amounting to INR 132.14 and the remaining balance has been recognized in the Statement of Profit and Loss.

The total cash outflow for leases for the year ended is INR 38.35 (March 31, 2020: INR 47.24)

Extension and termination options:
Extension and termination options are included in ceratin leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. In certain cases, the extension and termination options held are exercisable only by the Company and not by the respective lessor.

(Amounts in INR crores, unless otherwise stated)

4. Intangible assets

Particulars	Software	Internally Generated Software	Total
Gross carrying amount			
As at April 1, 2019	38.80	0.11	38.91
Additions	1.79	-	1.79
Disposals	-	-	-
As at March 31, 2020	**40.59**	**0.11**	**40.70**
As at April 1, 2020	40.59	0.11	40.70
Additions	2.24	-	2.24
Disposals	-	-	-
As at March 31, 2021	**42.83**	**0.11**	**42.94**
Accumulated amortisation			
As at April 1, 2019	21.39	0.10	21.49
For the year	7.39	-	7.39
Disposals	-	-	-
As at March 31, 2020	**28.78**	**0.10**	**28.88**
As at April 1, 2020	28.78	0.10	28.88
For the year	5.11	-	5.11
Disposals	-	-	-
As at March 31, 2021	**33.89**	**0.10**	**33.99**
Net carrying amount			
As at March 31, 2021	**8.94**	**0.01**	**8.95**
As at March 31, 2020	**11.81**	**0.01**	**11.82**

(Amounts in INR Crores, unless otherwise stated)

5. Investment in subsidiaries - Non Current

	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments		
Unquoted equity shares (Fully paid up)		
One97 Communications Nigeria Limited 10,000,000 (March 31, 2020 : 10,000,000) equity shares of NGN 1 each	0.30	0.30
One97 Communications FZ LLC 1,500 (March 31, 2020 : 1,500) equity shares of AED 1000 each	2.08	2.08
One97 Communications India Limited 83,150,000 (March 31, 2020 : 83,150,000) equity shares of INR10 each	83.19	83.15
One97 Communications Singapore Private Limited 3,356,100 (March 31, 2020 : 3,356,100) equity shares of SGD 1 each	62.02	52.93
One97 USA Inc 532,000 (March 31, 2020 : 532,000) equity shares of USD 1 each	3.32	3.32
Paytm Financial Services Limited (Refer note (iii) below) Nil (March 31, 2020 : 2,000,000) equity shares of face value of INR 10 each	-	2.00
Paytm Entertainment Limited 78,873,755 (March 31, 2020 : 69,951,533) equity shares of face value of INR 10 each	231.70	147.60
Paytm Money Limited 258,870,000 (March 31, 2020 : 158,870,000) equity shares of face value of INR 10 each	264.10	166.04
Wasteland Entertainment Private Limited (Refer note (v) below) 51,673 (March 31, 2020 : 44,337) equity shares of INR 10 each	83.14	89.69
Orbgen Technologies Private Limited (Refer note (iv) below) 974,880 (March 31, 2020 : 974,880) equity shares of INR 10 each	39.97	31.52
Urja Money Private Limited 2,102,245 (March 31, 2020 : 2,102,245) equity shares of INR 10 each	22.00	22.00
Mobiquest Mobile Technologies Private Limited 201,634 (March 31, 2020 : 115,035) equity shares of INR 10 each	17.36	8.04
Little Internet Private Limited (Refer note (ii) below) 13,997,263 (March 31, 2020 : 13,997,263) equity shares of face value of INR 10 each	-	-
Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) (Refer note (iii) below) Nil (March 31, 2020 : 25,60,938) equity shares of face value of INR 10 each	-	-
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) 3,000,000 (March 31, 2020 : 15,000) equity shares of face value of INR 10 each	4.96	1.68
Paytm Insurance Broking Private Limited 75,000,000 (March 31, 2020 : 5,000,000) equity shares of face value of INR 10 each	77.59	5.53
Paytm Payments Services Limited (Refer note (i) below) 50,000,000 (March 31, 2020 : Nil) equity shares of face value of INR 10 each	50.00	-
Total (A)	**941.73**	**615.88**
Unquoted compulsorily convertible preference shares (Fully paid up)		
Mobiquest Mobile Technologies Private Limited 35,710 (March 31, 2020 : 35,710) compulsory convertible preference shares of INR 10 each	2.17	2.17
Total (B)	**2.17**	**2.17**
Grand Total [A+B]	**943.90**	**618.05**
Aggregate amount of unquoted investments	**943.90**	**618.05**
Aggregate amount of impairment in the value of investment	**454.78**	**422.34**

(i) Subsidiary incorporated during the year ended March 31, 2021.
(ii) Net of provision for impairment amounting to INR 271.27 (March 31, 2020: 271.27). Also refer notes 21.
(iii) Converted to investment in associate during the year ended March 31, 2021. As on March 31, 2020, investment in Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) is net of provision for impairment amounting to INR 2.56.
(iv) Net of provision for impairment amounting to INR 118.51 (March 31, 2020 : 118.51). Also refer note 21.
(v) Net of provision for impairment amounting to INR 65 (March 31, 2020: 30). Also refer note 21.

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(Amounts in INR Crores, unless otherwise stated)

6. Investment in associates - Non Current

	As at March 31, 2021	As at March 31, 2020
Unquoted equity shares (Fully paid up)		
Paytm Payments Bank Limited	156.00	156.00
156,003,900 (March 31, 2020 : 156,003,900) equity shares of INR 10 each		
Paytm General Insurance Corporation Ltd	0.98	0.49
980,000 (March 31, 2020 : 490,000) equity shares of INR 10 each		
Paytm Life Insurance Corporation Limited	0.05	0.05
49,000 (March 31, 2020 : 49,000) equity shares of INR 10 each		
Paytm Financial Services Limited (refer note (iii) below)	2.00	-
2,000,000 (March 31, 2020 : Nil) equity shares of face value of INR 10 each		
Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) (refer note (iii) below)	-	-
2,560,938 (March 31, 2020 : Nil) equity shares of face value of INR 10 each		
Eatgood Technologies Private Limited (refer note (ii) below)	-	1.87
2,879 (March 31, 2020 : 2,879) equity shares of INR 10 each		
Total (A)	**159.03**	**158.41**
Unquoted compulsorily convertible preference shares (Fully paid up)		
Loginext Solutions Private Limited (refer note (i) below)	-	-
Nil (March 31, 2020 : 279,443) Compulsorily Convertible Preference share of face value of INR 10 each		
Socomo Technologies Private Limited (refer note (ii) below)	-	-
28,800 (March 31, 2020 : 28,800) Compulsorily Convertible Preference share of face value of INR 1 each		
Infinity Transoft Solutions Private Limited	10.00	10.00
3,618 (March 31, 2020 : 3,618) Compulsorily Convertible Preference share of face value of INR 10 each		
Eatgood Technologies Private Limited (refer note (ii) below)	27.17	47.13
72,373 (March 31, 2020 : 61,680) Compulsorily Convertible Preference share of face value of INR 100 each		
Total (B)	**37.17**	**57.13**
Grand Total [A+B]	**196.20**	**215.54**
Aggregate amount of unquoted investments	**196.20**	**215.54**
Aggregate amount of impairment in the value of investment	**72.79**	**87.84**

(i) During the current year, the company ceased to have significant influence over the entity and the interest held in the entity is recognised at fair value and is disclosed under note 7(b). As on March 31, 2020, the investment is net of provision for impairment amounting to INR 45.05.

(ii) Net of provision for impairment amounting to INR 42.79 (March 31, 2020 : 42.79) and INR 30.00 (March 31, 2020 : Nil) for Socomo Technologies Private Limited and Eatgood Technologies Private Limited, respectively.

(iii) Converted to investment in associate during the year ended March 31, 2021 and recognised at fair value on date of loss of control.

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(Amounts in INR Crores, unless otherwise stated)

7(a). Investments

	As at March 31, 2021	As at March 31, 2020
Investments at fair value through profit and loss		
Mutual Funds (Quoted) - Current		
Aditya Birla Sun life Liquid Fund - Growth - Direct Plan Nil (March 31, 2020 :7,982,579 units)	-	255.09
Axis Liquid Fund- Direct Growth Nil (March 31, 2020 :1,163,693 units)	-	256.52
DSP Liquidity Fund-Direct Plan-Growth Nil (March 31, 2020 :896,425 units)	-	254.65
ICICI Prudential Liquid Fund - Direct Plan - Growth Nil (March 31, 2020 : 3,388,688 units)	-	99.55
ICICI Prudential Liquid - Direct Plan - Growth (refer note (i) below) Nil (March 31, 2020: 5,139,147 units)	-	150.98
IDFC Cash Fund Direct Plan - Growth Nil (March 31, 2020: 1,010,455 units)	-	242.69
Kotak Liquid Fund Direct Plan Growth Nil (March 31, 2020: 608,354 units)	-	244.25
Nippon India Liquid Fund - Direct Plan Growth Plan Nil (March 31, 2020 :450,057 units)	-	218.31
SBI Liquid Fund- Direct - Growth (Formerly SBI Premier Liquid Fund) Nil (March 31, 2020: 798,613 units)	-	248.29
UTI- Liquid -Cash Plan-Growth Direct Nil (March 31, 2020: 683,599 units)	-	222.27
Total (A)	**-**	**2,192.60**

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(Amounts in INR Crores, unless otherwise stated)

	Non-Current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments at amortised cost				
Debt instruments (quoted)				
LIC Housing Finance Limited 8.75% 21 Dec 2020 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,018,877 each	-	-	-	50.94
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,000,000 each	-	50.00	50.00	0.26
Kotak Mahindra Prime Ltd 7.50% NCD 10 Nov 2020 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,006,960 each	-	-	-	25.72
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,009,252 each	-	-	-	26.38
HDFC Series W-001 7.15% 16 Sep 2021 250 (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,003,676 each	-	25.09	25.09	0.65
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 999,978 each	-	50.00	50.00	0.30
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 2,000) Redeemable Non Convertible Debentures of INR 1,009,226 each	-	-	-	211.10
LIC Housing Finance Limited 8.80% 24 Dec 2020 Nil (March 31, 2020 : 1,000) Redeemable Non Convertible Debentures of INR 1,018,617 each	-	-	-	102.85
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,020,747 each	-	-	-	51.04
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,020,528 each	-	-	-	51.03
Kotak Mahindra Prime Ltd 0% 9 Sep 2020 Nil (March 31, 2020 : 1,000) Redeemable Non Convertible Debentures of INR 967,368 each	-	-	-	96.74
HDFC Series U-008 8.70% 15 Dec 2020 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,017,216 each	-	-	-	51.37
Bajaj Finance Limited Secured 7.2525% 10 Nov 2020 Nil (March 31, 2020 : 1,500) Redeemable Non Convertible Debentures of INR 1,004,575 each	-	-	-	154.04
HDFC Series U-010 8.62% 15 Oct 2020 Nil (March 31, 2020 : 1,100) Redeemable Non Convertible Debentures of INR 1,012,261 each	-	-	-	115.00
LIC Housing Finance Limited 8.75 % NCD 8 Mar 2021 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,020,750 each	-	-	-	25.49
Kotak Mahindra Investments Ltd 0% 28 Oct 2021 250 (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 883,748 each	-	22.09	22.09	-
Total (B)	**-**	**147.18**	**147.18**	**962.91**
Total investments [A+B]	**-**	**147.18**	**147.18**	**3,155.51**

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(Amounts in INR Crores, unless otherwise stated)

7(b) Investments - Non Current

	As at March 31, 2021	As at March 31, 2020
Investments at fair value through OCI (refer note (ii) below)		
Unquoted equity shares (Fully paid up)		
Ciqual Limited (refer note (iii) and (iv) below) Nil (March 31, 2020: 29,43,276) equity shares of GBP 0.01 each	-	-
ZEPO Technologies Private Limited 3,458 (March 31, 2020 : 3,458) Equity shares of face value INR 10 each	2.28	2.28
Red Pixels Ventures Limited 1,093 (March 31, 2020 : 1,093) Equity shares of face value INR 10 each	0.37	0.37
Total (A)	**2.65**	**2.65**
Investments at fair value through Profit and loss		
Unquoted Compulsorily Convertible Preference shares (Fully paid up)		
Raining Clouds Tech Private Limited (refer note (iii) below) 3,620 (March 31, 2020 : 3,620) Redeemable Convertible Preference Shares of INR 10 each	-	-
Busy Bees Logistics Solution Private Limited (refer note (v) below) Nil (March 31, 2020 : 18,121) Compulsorily Convertible Preference share of face value of INR 10 each	-	59.25
Avenues Payments India Private Limited (refer note (iii) below) 11,379 (March 31, 2020 : 11,379) Compulsorily Convertible Preference share of face value of INR 100 each	-	-
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 289) Compulsorily Convertible Preference share of face value INR 100 each	-	0.42
Loginext Solutions Private Limited (refer note (iii) and (vi) below) 279,443 (March 31, 2020 : Nil) Compulsorily Convertible Preference share of face value of INR 10 each	-	-
Rooter Sports Technologies Private Limited, 1,160 (March 31, 2020 : Nil) Compulsorily Convertible Preference share of face value INR 10 each	4.00	-
	4.00	**59.67**
Unquoted equity shares (Fully paid up)		
Paytm E-commerce Private Limited 4,837 (March 31, 2020 : 2,105) Equity shares of face value INR 10 each held by Employee Welfare Trust	5.34	10.08
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 1,277) equity shares of INR 10 each	-	3.12
	5.34	**13.20**
Total (B)	**9.34**	**72.87**
Total Non Current investments [A+B]	**11.99**	**75.52**
Total Current Investments	147.18	3,155.51
Total Non-Current Investments	11.99	222.70
	159.17	**3,378.21**
Aggregate book value of unquoted investments	**11.99**	**75.52**
Aggregate book value of quoted investments	**147.18**	**3,302.69**
Aggregate market value of quoted investments	**147.18**	**3,302.69**

Notes to 7 (a) and 7 (b) above
(i) As on March 31, 2020, ICICI Prudential Liquid - Direct Plan - Growth was marked under lien by banks for bank overdraft, working capital demand loan and term loan amounting to INR 140. No such lien exist on March 31, 2021.

(ii) Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note 30 for determination of their fair values.
(iii) The Company holds these investments, however the fair value is Nil.
(iv) The company has been dissolved during the current year.
(v) Investment disposed off during the year.
(vi) During the current year, the company ceased to have significant influence over the entity and the interest held in the entity has been recognised at fair value.

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(Amounts in INR Crores, unless otherwise stated)

7(c) Loans

	Non-Current As at		Current As at	
	March 31, 2021	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
Inter Corporate Loans#				
with related parties (refer note 25)	-	3.60	54.12	3.59
Others	-	-	55.36	22.85
Less: Loss allowance for inter corporate loans	-	-	(22.29)	-
Security deposits	122.78	151.74	90.78	42.89
Less: Loss allowance for security deposits	(0.11)	(0.11)	-	-
	122.67	**155.23**	**177.97**	**69.33**

Break-up of security details

	As at		As at	
	March 31, 2021	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
Secured, considered good	-	-	-	-
Unsecured, considered good	122.67	155.23	177.97	69.33
Loans which have significant increase in credit risk	0.11	0.11	22.29	-
Loans Credit Impaired	-	-	-	-
	122.78	**155.34**	**200.26**	**69.33**
Loss allowance	(0.11)	(0.11)	(22.29)	-
Total Loans	**122.67**	**155.23**	**177.97**	**69.33**

#As on March 31, 2021, the inter corporate loans are given after complying with the provisions of section 186 of the Companies Act, 2013. The loans have been given in accordance with terms and conditions of the underlying agreements. Outstanding loans carry interest rate in the range of 5.10% to 12%. As on March 31, 2020, the inter corporate loans are given after complying with the provisions of section 186 of the Companies Act, 2013. The loans have been given in accordance with terms and conditions of the underlying agreements. Outstanding loans carry interest rate in the range of 9.85% to 12%.

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(Amounts in INR Crores, unless otherwise stated)

7(d) Other financial assets

		Non Current		Current	
		As at		As at	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Bank balances					
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 10(a))		200.01	1,350.16	-	-
Others					
Other advances recoverable in cash		-	-	6.31	9.33
Accrued Interest on Debt Instruments measured at amortised cost		-	-	4.63	8.06
Interest accrued but not due on fixed deposits		9.83	22.23	137.67	3.31
Interest accrued on security deposit		-	-	8.70	-
Other receivable from other parties (Refer note 34)		-	585.19	625.13	-
Unbilled revenue		-	-	120.57	146.58
Unbilled revenue - related parties (Refer note 25)		-	-	23.93	18.47
Less: Loss allowance for unbilled revenue		-	-	(25.79)	(20.08)
	A	**209.84**	**1,957.58**	**901.15**	**165.67**
Amount recoverable from Payment Gateway banks*					
Unsecured, considered good					
Amount recoverable from other parties		-	-	504.97	261.14
Amount recoverable from related parties (Refer note 25)		-	-	854.57	286.39
Unsecured, considered doubtful					
Amount recoverable from other parties		-	-	2.10	3.04
		-	-	**1,361.64**	**550.57**
Less : Loss allowance		-	-	(2.10)	(3.04)
	B	**-**	**-**	**1,359.54**	**547.53**
Unsecured, considered good					
Amount recoverable from related parties (Refer note 25)#		-	12.83	70.35	186.31
Amount recoverable from other parties (Refer note 34)		-	-	19.86	129.57
Unsecured, considered doubtful					
Amount recoverable from related parties (Refer note 25)		-	-	3.68	3.39
		-	12.83	93.89	319.27
Less: Loss allowance for recoverable from related parties		-	-	(3.68)	(3.39)
	C	**-**	**12.83**	**90.21**	**315.88**
Total [A+B+C]		**209.84**	**1,970.41**	**2,350.90**	**1,029.08**

#The Company has off-set the payable of INR 211.11 (March 31, 2020: INR 141.54) with the advance of INR 227.79 (March 31, 2020: INR 226) as the Company has contractual right to offset the payable with the advance and also has the intention to settle the same on a net basis.
* The amount represent recoverable from payment gateway banks on account of credit card/debit card and net banking transactions related to third party merchants.

Break up of financial assets carried at amortised cost

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Trade receivables (refer note 8)	-	-	372.77	327.50
Cash and cash equivalents (refer note 10(a))	-	-	294.76	285.60
Bank balances other than cash and cash equivalents (refer note 10(b))	-	-	2,277.79	83.76
Security deposits (refer note 7(c))	122.67	151.63	90.78	42.89
Inter corporate loans (refer note 7(c))	-	3.60	87.19	26.44
Others (refer note7(d))	209.84	1,385.22	1,725.77	1,029.08
Investments (refer note 7(a))	-	147.18	147.18	962.91
	332.51	**1,687.63**	**4,996.24**	**2,758.18**

Break up of financial assets carried at fair value

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments at fair value through OCI (Refer note 7(b))	2.65	2.65	-	-
Investments at fair value through Profit and loss (Refer note 7(a) &7(b))	9.34	72.87	-	2,192.60
Receivable at FVTPL (Rerfer Note 7(d))	-	585.19	625.13	-
	11.99	**660.71**	**625.13**	**2,192.60**

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(Amounts in INR Crores, unless otherwise stated)

8. Trade receivables

	As at March 31, 2021	As at March 31, 2020
Trade Receivables	408.73	349.77
Receivables from related parties (Refer Notes (i) & (ii) below)	83.69	66.10
Receivables from other parties (Refer note 34)	7.72	19.32
Less: Loss allowance	(127.37)	(107.69)
	372.77	**327.50**
Current	372.77	327.50
Non-current	-	-

Break-up of security details	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	429.57	363.33
Trade receivable which have significant increase in credit risk	-	-
Trade receivable Credit Impaired	70.57	71.86
	500.14	**435.19**
Less: Loss allowance	(127.37)	(107.69)
Total Trade receivables	**372.77**	**327.50**

(i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 25.

(ii) For related party receivables and related loss allowance, refer note 25.

(iii) Trade receivables are non-interest bearing and carry a credit period of upto 90 days.

9. Other assets

		Non-current		Current	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Capital advances					
Unsecured, considered good		17.86	5.27	-	-
Doubtful		0.08	0.08	-	-
		17.94	5.35	-	-
Less Provision for doubtful advances		(0.08)	(0.08)	-	-
	A	**17.86**	**5.27**	**-**	**-**
Advances other than capital advances					
Advances to vendors					
Unsecured, considered good		177.61	20.27	464.51	568.92
Doubtful		-	-	5.24	4.80
		177.61	**20.27**	**469.75**	**573.72**
Less Provision for doubtful advances		-	-	(5.24)	(4.80)
	B	**177.61**	**20.27**	**464.51**	**568.92**
Others					
Balances with government authorities :					
Goods and services tax input credit		62.74	27.55	546.71	495.88
Prepayments		20.24	30.91	73.48	54.98
Advances to related parties* (refer note 25)		-	-	311.87	166.93
	C	**82.98**	**58.46**	**932.06**	**717.79**
Total (A+B+C)		**278.45**	**84.00**	**1,396.57**	**1,286.71**

*No advances are recoverable from directors or other officers of the Company either severally or jointly with any other person. Nor any advance are recoverable from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 25.

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(Amounts in INR Crores, unless otherwise stated)

10(a). Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Cash and cheque on hand	0.06	3.37
Balance with banks		
- On current accounts	112.90	272.73
- Deposits with original maturity for less than 3 months	181.80	9.50
	294.76	**285.60**

Notes :

(a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(b) Fixed deposits amounting to INR 960.93 (March 31, 2020: 77.62) included in note 7(d) and 10(b) are marked under lien by banks for providing bank overdraft, working capital demand loan and issuing bank guarantees under various contract.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.06	3.37
Balance with banks		
- On current accounts	112.90	272.73
- Deposits with original maturity of less than 3 months	181.80	9.50
	294.76	**285.60**
Other bank balances		
Bank overdraft*	(500.88)	-
	(500.88)	**-**
Cash and cash equivalents for the purpose of cash flow statement	**(206.12)**	**285.60**

*Bank borrowings are generally considered to be financing activities. However, bank overdrafts which are repayable on demand and form an integral part of an entity's cash management are included as a component of cash and cash equivalents.

10(b). Bank balances other than cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than 3 months but less than 12 months (Refer footnote (b) to note 10(a))	562.21	-
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 10(a))	1,715.58	83.76
	2,277.79	**83.76**

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(Amounts in INR Crores, unless otherwise stated)

11. Share Capital and other equity

11 (a). Share Capital	**Number of Shares**	**Amount**
Authorised equity share capital		
As at April 01, 2019	104,106,600	104.11
Increase/ (decrease) during the year	-	
As at March 31, 2020	**104,106,600**	**104.11**
Increase/ (decrease) during the year	-	-
As at March 31, 2021	**104,106,600**	**104.11**

Terms/ rights attached to equity shares
All the equity shares issued to investors and other shareholders shall rank pari passu and have a par value of INR 10 per share. Each shareholder is eligible for one vote per share held only.

Issued, subscribed and fully paid up shares	**As at March 31, 2021**	**As at March 31, 2020**
60,482,404 (March 31, 2020 : 60,435,025) equity shares of INR 10 each fully paid up	60.48	60.43
Total issued, subscribed and fully paid-up share capital	**60.48**	**60.43**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	**March 31, 2021**		**March 31, 2020**	
	Number	**Amount**	**Number**	**Amount**
Shares outstanding at the beginning of the year*	60,187,655	60.43	57,256,129	57.53
Shares issued during the year#	29,979	0.01	2,803,511	2.77
Shares issued during the year – ESOP	42,379	0.04	128,015	0.13
Shares outstanding at the end of the year*	**60,260,013**	**60.48**	**60,187,655**	**60.43**

* Net of treasury shares 222,391 (March 31, 2020: 247,370) at nil cost through employee welfare trust (refer note 2.2(m))
# Shares issued during the year includes 24,979 (March 31, 2020: 30,367) shares issued out of treasury shares

b. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	**March 31, 2021**		**March 31, 2020**	
	Number of Shares held	**% holding**	**Number of Shares held**	**% holding**
Antfin (Netherlands) Holding B.V.	18,330,122	30.31%	18,330,122	30.33%
SVF India Holding (Cayman) Limited	11,326,223	18.73%	11,326,223	18.74%
Mr.Vijay Shekhar Sharma	9,051,624	14.97%	9,051,624	14.98%
SAIF III Mauritius Company Limited	7,491,061	12.39%	7,491,061	12.40%
Alibaba.com Singapore E-Commerce Private Limited	4,428,214	7.32%	4,428,214	7.33%
SAIF Partners India IV Limited	3,180,202	5.26%	3,180,202	5.26%

c. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options plan (ESOP) of the Company (refer note 24).

d. Aggregate number of bonus shares issued, shares bought back and share issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Company has not issued any shares for consideration other than cash during the current year (March 31, 2020: Nil shares; March 31, 2019: 333,035 shares; March 31, 2018: Nil shares; March 31, 2017: Nil shares; March 31, 2016: Nil shares). The Company has not issued bonus shares and has not bought back shares during the period of five years immediately preceding the reporting date.

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(Amounts in INR Crores, unless otherwise stated)

11 (b). Other equity

	As at March 31, 2021	As at March 31, 2020
1. Reserve and Surplus		
Securities premium	18,925.62	18,895.72
Employee stock options outstanding account (ESOP Reserve)	382.22	303.01
Retained earnings	(12,381.42)	(10,845.12)
Total reserve and surplus (A)	**6,926.42**	**8,353.61**
(i) Securities premium		
Opening balance	18,895.72	13,822.69
Add: transferred from ESOP Reserve on exercise of stock options	19.23	35.92
Add: amount received on issue of shares	10.67	5,051.15
Less: amount utilized for share issue expenses	-	(14.04)
Balance at the end of the year	**18,925.62**	**18,895.72**
(ii) Employee stock options outstanding account (ESOP Reserve)		
Opening balance	303.01	198.46
Add: share based payment expense (refer note 24)	86.74	123.53
Add: share based payment for employees of group companies (refer note 24)	26.52	45.56
Less: amount transferred to securities premium on exercise of stock options	(19.23)	(35.92)
Less: reversal on forfeiture of stock options	(14.82)	(0.19)
Less: adjustment on cancellation of unvested ESOP (refer note 24)	-	(28.43)
Balance at the end of the year	**382.22**	**303.01**
(iii) Retained earnings		
Opening balance	(10,845.12)	(8,040.40)
Loss for the year	(1,560.20)	(2,833.18)
Less: remeasurement of post-employee benefit obligation	(1.54)	(0.70)
Add: transfer from employee stock options outstanding account	14.82	0.19
Add: adjustment on cancellation of unvested ESOP (refer note 24)	-	28.43
Add: transfer from FVTOCI to retained earning on account of derecognition of assets	-	0.54
Add: other adjustments#	10.62	-
Balance at the end of the year	**(12,381.42)**	**(10,845.12)**
2. Share application money pending allotment		
Opening balance	*	-
Receipt of share application money	0.20	*
Balance at the end of the year (B)	**0.20**	*****
3. Other reserves- FVTOCI		
Opening balance	(2.59)	(2.25)
Net change in fair value of equity instruments at FVTOCI	-	0.20
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	(0.54)
Balance at the end of the year (C)	**(2.59)**	**(2.59)**
Total other equity (A+B+C)	**6,924.03**	**8,351.02**

* Amount below rounding off norms adopted by the Company
# Adjustment on settlement of incentive liability through employee welfare trust

Nature and purpose of reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Employee stock options outstanding account (ESOP Reserve)

Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under the One 97 Employee Stock Option Plan.

(iii) FVTOCI Reserve

The Company has elected to recognise changes in the fair values of the certain investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earning when relevant equity securities are derecognised.

12. Provisions

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for employee benefits				
Provision for gratuity (refer note 26)	20.50	16.68	-	-
Provision for leave benefits*	-	-	36.71	47.16
	20.50	**16.68**	**36.71**	**47.16**

*The entire amount of the provision of INR 36.71 (March 31, 2020 INR 47.16) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The amount not expected to be settled within next twelve months is INR 28.23 (March 31, 2020 INR 35.81).

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(Amounts in INR Crores, unless otherwise stated)

13(a) Borrowings

	As at March 31, 2021	As at March 31, 2020
Current		
Secured		
Loan repayable on demand- bank overdraft (refer note (i) below)	500.88	-
Working capital demand loan (refer note (ii) below)	43.52	128.18
Term loan (refer note (iii) below)	-	72.91
Total borrowings	**544.40**	**201.09**

Note:

(i) As on March 31, 2021, Fixed Deposits backed Overdraft working capital limits (borrowing in INR) carry interest in the range of 4.2% p.a. to 6.3% p.a.. The security for the same is in the form of lien on fixed deposits amounting to INR 517 Cr.

(ii) Working capital demand loan (borrowing in INR) carry interest at I-MCLR and "spread" per annum. As on the reporting date, the MCLR is 7.25% p.a. (March 31, 2020: 7.95%) and spread is 1% p.a. (March 31, 2020: 1%). This is secured by way of hypothecation on the entire current assets (excluding Mutual Funds, FD & Bonds), lien on Fixed Deposits amounting to INR 140 Cr and backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director. As on March 31, 2020, was secured by way of hypothecation on the entire current assets, lien on mutual funds amounting to INR 140 Cr and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

(iii) As on March 31, 2020, Term Loan (in INR) was in respect of point of sale (POS) machines. Principal amount of each tranche was repayable on a monthly basis in 11 equal monthly installments, with first installment starting from the subsequent month of respective tranche disbursement and each tranche i.e trance -1, tranche-2 and tranche-3 carried different I-MCLR rate i.e. 8.55%, 8.35% and 8.25% respectively but with same spread i.e 1.2%. Term loan was secured by way of hypothecation on the entire current assets, pledge on mutual funds INR 140 and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

Changes in liabilities arising from financing activities	March 31, 2021		March 31, 2020	
	Lease Liabilities	**Current borrowings**	**Lease Liabilities**	**Current borrowings**
Opening debt	204.00	201.09	218.37	695.50
Non cash adjustments*	(131.99)	-	12.48	-
Cash flows/ assets acquired	(28.06)	343.31	(26.85)	(494.65)
Interest expense	10.29	22.48	20.40	24.91
Interest paid	(10.29)	(22.48)	(20.40)	(24.68)
Closing debt	**43.95**	**544.40**	**204.00**	**201.09**

*includes termination of leases

	As at March 31, 2021	As at March 31, 2020
13(b) Trade payables		
Current		
Trade payables#	500.98	471.54
Trade payables to related parties (Refer note 25)	92.55	101.84
Trade payables to other parties (Refer note 34)	20.19	-
	613.72	**573.38**
#refer note 29 for MSMED disclosure.		
(i) Total Outstanding dues of micro and small enterprises	5.13	11.33
(ii) Total Outstanding dues other than (i) above	608.59	562.05
	613.72	**573.38**
13(c) Other financial liabilities		
Current		
Payable to merchants*	30.84	6.55
Payable on purchase of fixed assets	21.76	0.87
Payable on purchase of fixed assets- related parties (Refer note 25)	0.27	2.51
Employee benefits payable	126.20	112.31
Other amount received from customers	206.40	60.31
Other amount received from customers- related parties (Refer note 25)	0.08	-
Others	22.22	16.05
Others- related parties (Refer note 25)	8.25	-
Others- Other parties (Refer note 34)	-	0.55
	416.02	**199.15**

*The Company uses a Nodal Account to receive money through debit/credit card and net banking transactions towards all transactions happening on its portal, as well as to settle the respective merchants. The amounts collected but yet to be transferred to merchants are netted off with nodal account having balance of INR 845.53 (March 31, 2020: INR 427.27). Gross payable to merchant includes payable to related parties (refer note 25) INR 73.01 (March 2020: INR 14.76) and to other parties (refer note 34) INR 5.79 (March 2020: INR 6.60)

Terms and conditions of the above financial liabilities:

(i) Trade and other payables are non-interest bearing and carry credit period of upto 60 days.

Note: All financial liabilities are carried at amortized cost

(Amounts in INR Crores, unless otherwise stated)

14 (a) Other current liabilities

	Current	
	As at March 31, 2021	**As at March 31, 2020**
Other payable - related parties (refer note 25)	8.12	7.95
Statutory dues payable:		
Tax deducted at source payable	49.93	24.11
GST Payable	180.95	149.51
Tax collected at source payable	6.79	6.86
Provident fund payable	2.98	1.26
Other statutory dues	5.13	5.11
	253.90	**194.80**

14 (b) Contract liabilities

	Non-current		Current	
	As at		As at	
	March 31, 2021	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
Contract liabilities	411.91	342.25	153.95	317.06
	411.91	**342.25**	**153.95**	**317.06**

(i) For related party and other party balances, refer note 25 and 34, respectively.

Revenue recognized in relation to carried forward contract liabilities

Contract liabilities recognized as revenue during the year	111.70	338.21
	111.70	**338.21**

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(Amounts in INR Crores, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
15. Revenue from operations		
Revenue from contracts with customers		
Sale of services	2,667.08	2,859.84
Other operating revenue		
Recovery of marketing expense (refer note 34)	-	255.26
	2,667.08	**3,115.10**
i) Disaggregated details of revenue:		
Payment and financial services	2,100.17	1,912.01
Commerce and cloud services	566.91	947.83
	2,667.08	**2,859.84**

	Year ended March 31, 2021	Year ended March 31, 2020
16. Other income		
Interest income		
-on bank deposits	161.90	31.12
-Interest on Income tax refund	24.83	8.23
-Interest on Inter corporate loans - measured at amortized cost	1.08	14.64
-Interest Income on unwinding of discount - financial assets measured at amortized cost	21.26	33.27
-Interest Income on debentures -measured at amortized cost	45.88	10.13
-Interest income on security deposit	8.70	-
Fair value gain on financial instruments measured at FVTPL (net)	89.09	35.98
Profit on sale of property, plant and equipment (net)	1.85	1.10
Liabilities / provision no longer required written back	-	5.12
Exchange differences (net)	1.86	-
Miscellanous Income	18.43	7.82
	374.88	**147.41**

	Year ended March 31, 2021	Year ended March 31, 2020
17. Employee benefits expense		
Salaries, bonus and incentives	723.75	649.26
Contribution to provident and other funds	14.80	11.30
Share based payment expenses (refer Note 24)	86.74	123.53
Leave Encashment Expense	(5.80)	22.42
Gratuity expenses (refer Note 26)	9.46	6.85
Staff welfare expenses	4.95	11.76
	833.90	**825.12**

	Year ended March 31, 2021	Year ended March 31, 2020
18. Finance costs		
Interest		
- Interest and finance charges on lease liabilities	10.29	20.40
- on borrowings at amortised cost	22.48	24.91
- Interest on late deposit on statutory dues	0.05	0.03
- on others	0.86	0.22
	33.68	**45.56**

	Year ended March 31, 2021	Year ended March 31, 2020
19. Depreciation and amortization expense		
Depreciation of property, plant and equipment	135.72	115.97
Depreciation on right-of-use-assets*	15.95	19.82
Amortisation of intangible assets	5.11	7.39
	156.78	**143.18**

*This amount is net of cross charge of INR 2.39 (March 31, 2020 INR 11.60) (refer note 3(b))

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(Amounts in INR Crores, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
20. Other expenses		
Connectivity and content fees	168.17	153.54
Legal and professional fees	198.38	139.53
Subcontract expenses	172.54	248.21
Contest, ticketing and fast tags expenses	61.95	104.07
Logistic, deployment & collection cost	36.22	16.02
Provision for advances	0.44	0.08
Loss allowance for financial assets	47.03	35.76
Trade receivables / advance written off	6.02	1.96
Repair and maintenance	22.03	27.26
Insurance	6.11	6.26
Rates and taxes	5.11	3.93
Travelling and conveyance	3.80	27.49
Bank charges	2.69	4.93
Communication costs	2.12	3.74
Payment to auditors (Refer details below)	1.14	1.09
Rent (Refer Note 28)	0.95	5.88
Goods and services tax expense off	1.08	1.47
Property, plant and equipment and intangible assets written off	0.32	0.03
Corporate Social Responsibility (CSR) expenditure (Refer Note 37)	0.43	0.82
Exchange differences (net)	-	5.64
Miscellaneous expenses	21.27	17.70
	757.80	**805.41**
Payment to Auditors		
As auditors		
-Audit fee	0.65	0.51
-Tax audit fee	0.03	0.03
-Limited Review	0.30	0.38
In other capacity		
-Other Services (Certification fees)	0.13	0.14
-Reimbursement of expenses	0.03	0.03
	1.14	**1.09**

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21. Exceptional items

	Year ended March 31, 2021	Year ended March 31, 2020
Loss on sale of investment in associates and subsidiaries (refer note (c) and (d) below)	-	(10.51)
Provision for impairment of investments in associates and subsidiaries (refer note (a) and (b) below)	(65.00)	(311.67)
	(65.00)	**(322.18)**

a) The Company basis its assessment of future business projections of its subsidiaries i.e. Orbgen Technologies Private Limited, Little Internet Private Limited and Wasteland Entertainment Private Limited has recognized provision for impairment in the carrying value of its investments of INR Nil, INR Nil and INR 35 (March 31, 2020 : INR 43.40, INR 220.27 and INR 30), respectively, which has been shown as exceptional item in the Standalone Statement of Profit and Loss for the year ended March 31, 2021. During current year, the impairment loss for Wasteland Entertainment Private Limited was based on the equity value calculated based on cash flow projections with the business plan used for impairment testing using discounted cash flow method. The management has computed equity value of Wasteland Entertainment Private Limited based on discount rate of 22.5% and terminal growth rate used in extrapolating cash flows beyond the planning period of 2.45 times of revenue of the terminal year. During previous year, the impairment loss for Orbgen Technologies Private Limited, Little Internet Private Limited and Wasteland Entertainment Private Limited was based on the equity value calculated based on cash flow projections with the business plan used for impairment testing using discounted cash flow method. The management has computed equity value of Orbgen Technologies Private Limited and Wasteland Entertainment Private Limited based on discount rate of 18.4% and 25% and terminal growth rate used in extrapolating cash flows beyond the planning period of 2 and 1.78 times of revenue, respectively, of the terminal year. For Little Internet Private Limited management has computed equity value on a discount rate of 17.6% and have applied terminal growth rate which is 4 times of proft after tax beyond the planning period.

b) During current year, the Company basis its assessment of future business projections of its associate, Eatgood Technologies Private Limited, has recognized provision of INR 30 for impairment in the carrying value of its investment. During previous year, the Company basis its assessment of future business projections of its associate, Loginext Solutions Private Limited, had recognized provision of INR 18 for impairment in the carrying value of its investment. Further, during the current year, the company ceased to have significant influence over Loginext Solutions Private Limited and the interest held in the entity has been recognised at its fair value.

c) During the year ended March 31, 2020, the Company had entered into a Share Purchase Agreement to acquire 40% stake in Blueface Technologies Private Limited ('Blueface') and had invested 9.86 crore for acquisition of 40% holding. Further during the previous year, the Company had sold its 40% stake in Blueface Technologies Private Limited ('Blueface') for a cash consideration of INR 0.03 and recognized a loss of INR 9.83.

d) During the year ended March 31, 2020, On September 10, 2019, the Company entered into a sale agreement to dispose of its investment in subsidiary Cube26 Software Private Limited resulting in loss of INR 0.68.

22. Earnings per shares (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2021	Year ended March 31, 2020
Loss attributable to equity holders for basic and diluted earnings	**(1,560.20)**	**(2,833.18)**
Weighted average number of equity shares for basic and diluted EPS#	60,209,837	58,225,828
Earnings per share		
Basic and Diluted earnings per equity share (INR per share)*	(259.13)	(486.58)

* In view of losses during the current year and previous year, the options which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share.

#Nominal value of INR 10 each (March 31, 2020: INR 10 each)

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23. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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 future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Deferred taxes & Income taxes

Deferred tax assets can be recognised for deductible temporary differences (including unused tax losses) only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. As the Company is yet to generate operating profits, Management has assessed that as at March 31, 2021 it is not probable that such deferred tax assets can be realised in excess of available taxable temporary differences. Management re-assesses unrecognised deferred tax assets at each reporting date and recognises to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. For details about deferred tax assets, refer note 27.

During FY 2019-20 (AY 2020-21) a shareholder of the Company holding 30.33% of shares of the Company has transferred its shareholding to its group company (both entities being 100% subsidiaries of the same ultimate parent entity). Based on advice from the Company's tax experts, Management has assessed that a mere change in shareholding within the same group will not be an affirmative position to say that the shareholding has been changed. Further, since the shares of the Company carrying not less than fifty-one per cent of the voting power were beneficially held by persons, i.e. ultimate holding company of the aforesaid entities, who beneficially held shares of the company carrying not less than fifty-one per cent of the voting power on the last day of the year or years in which the loss was incurred, the Company shall be entitled to carried forward and set off these losses against the taxable income of the further years in accordance with the provisions of Section 79 of the Income Tax Act, 1961. (refer note 27)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India. The mortality rate is based on publicly available mortality tables for India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations, refer note 26.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model, Price of Recent Investment (PORI) method and Comparable Company Multiples (CCM) method. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. For further details about Fair value measurement, refer note 30.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit risk associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk.

Impairment reviews

Investments in subsidiaries and associates are tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount is less than its carrying value. In calculating the value in use, the Company is required to make judgements, estimates and assumptions inter-alia concerning the growth in EBITDA, long-term growth rates; discount rates to reflect the risks involved. For details about impairment reviews, refer note 21.

Incentives

The Company provide incentives to users in various forms including cash backs to promote our platform. Incentives to users to whom the Company has a performance obligation is recorded as a reduction of revenue to the extent of the revenue earned. For the incentives to other transacting users to whom the Company has no performance obligation, management is required to determine whether the incentives are in substance a payment on behalf of the merchants and should therefore be recorded as a reduction of revenue or as marketing and promotion expenses. Some of the factors considered in management's evaluation of such incentives being payments on behalf of merchants include whether the incentives are given at the Company's discretion, contractual agreements with the merchants, business strategy and objectives and design of the incentive program(s), etc

(Amounts in INR Crores, unless otherwise stated)

24. Employee share based payments

During the year ended March 31, 2009, the Company introduced One 97 Employee Stock Option Plan – I for the benefit of employees as approved by the Board of Directors in the meeting held on September 08, 2008 and by the members in the Extra Ordinary General Meeting held on October 22, 2008 for a total of 951,355 options. The Company appropriated 795,056 options of INR10 each to be granted to eligible employees which were granted on December 31, 2008. These options were granted to all eligible, permanent employees who were on rolls of Company as at December 31, 2008 and to be settled in equity. These options have a vesting period of 4 years and were vested at one year interval in the following proportion:

Date of vesting	% of total options vesting
December 31, 2009	10%
December 31, 2010	20%
December 31, 2011	30%
December 31, 2012	40%

Out of 795,056 options granted, exercise price of 233,602 options granted to employees who joined the Company till March 31, 2007 was INR10 per option and for 561,454 options granted to employees joining between April 01, 2007 and December 31, 2008 the exercise price was Rs 49 per option.

On September 03, 2010, the Company appropriated 252,101 options of INR 10 each to be granted to eligible employees (including grant of 30,000 options to independent non-executive directors) at an exercise price of INR 180 each. Options granted to independent non-executive directors were approved in Extra-Ordinary General meeting of members held on November 22, 2010. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
September 03, 2011	10%
September 03, 2012	20%
September 03, 2013	30%
September 03, 2014	40%

On September 01, 2011, the Company increased the ESOP pool by adding 107,407 options taking total ESOP pool to 1,058,762 as approved by the Board of Directors in the meeting held on August 02, 2011 and by the members in the Extra Ordinary General Meeting held on August 19, 2011.

On January 30, 2012, the Company appropriated 4,330 options of INR 10 each to be granted to one eligible employee at an exercise price of INR 232 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
January 30, 2012	10%
January 30, 2013	20%
January 30, 2014	30%
January 30, 2015	40%

(Amounts in INR Crores, unless otherwise stated)

On December 29, 2012, the Company appropriated 196,163 options of INR 10 each to be granted to eligible employee at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on November 29, 2012 and by the members in the Extra Ordinary General Meeting held on December 29, 2012.
These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
December 29, 2012	10%
December 29, 2013	20%
December 29, 2014	30%
December 29, 2015	40%

On August 01, 2013, the Company appropriated 166,668 options of INR 10 each to be granted to eligible employees at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on January 31, 2014. 30% of these options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
August 1, 2014	10%
August 1, 2015	20%
August 1, 2016	30%
August 1, 2017	40%

Remaining 70% of the options will be vested upon achievement of certain performance targets.

On March 31, 2014, the Company increased the ESOP pool by adding 260,000 options taking total ESOP pool to 1,318,762 as approved by the Board of Directors in the meeting held on January 31, 2014 and by the members in the Extra Ordinary General Meeting held on August 31, 2014.

On April 01, 2014 the Company appropriated 313,446 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each as ratified by the Board of Directors in the meeting held on June 10, 2015.

Date of vesting	% of total options vesting
April 1, 2015	10%
April 1,2016	20%
April 1,2017	30%
April 1,2018	40%

On April 01, 2015, the Company appropriated 491,722 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2016	10%
April 1,2017	20%
April 1,2018	30%
April 1,2019	40%

(Amounts in INR Crores, unless otherwise stated)

On September 30, 2015, the Company increased the ESOP pool by adding 604,858 options taking total ESOP pool to 1,923,620 as approved by the Board of Directors in the meeting held on July 24, 2015 and by the members in the Annual General Meeting held on September 30, 2015.

On October 01, 2015 the Company appropriated 104,864 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2016	10%
October 1,2017	20%
October 1,2018	30%
October 1,2019	40%

On April 01, 2016 the Company appropriated 395,325 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2017	10%
April 1,2018	20%
April 1,2019	30%
April 1,2020	40%

On October 01, 2016 the Company appropriated 97,031 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2017	10%
October 1,2018	20%
October 1,2019	30%
October 1,2020	40%

On April 01, 2017 the Company appropriated 361,128 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2018	10%
April 1,2019	20%
April 1,2020	30%
April 1,2021	40%

(Amounts in INR Crores, unless otherwise stated)

On October 01, 2017 the Company appropriated 29,044 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2018	10%
October 1,2019	20%
October 1,2020	30%
October 1,2021	40%

On April 01, 2018 the Company appropriated 243,899 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2019	10%
April 1,2020	20%
April 1,2021	30%
April 1,2022	40%

On July 01, 2018 the Company appropriated 45,649 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
July 1,2019	10%
July 1,2020	20%
July 1,2021	30%
July 1,2022	40%

On October 01, 2018 the Company appropriated 34,409 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2019	10%
October 1,2020	20%
October 1,2021	30%
October 1,2022	40%

(Amounts in INR Crores, unless otherwise stated)

On January 01, 2019 the Company appropriated 47,958 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
January 1,2020	10%
January 1,2021	20%
January 1,2022	30%
January 1,2023	40%

On March 22, 2019, the Company's shareholders in an extra ordinary general meeting authorized the Chief Executive Office/Managing Director of the Company to approve the cancellation/modification of unvested employee stock options with the prior consent of the employees. Pursuant to this, the Company cancelled 95,561 outstanding unvested employee stock options, with prior consent of the employees. This cancellation resulted into an accelerated share based payment expense of INR 6.16 in the Standalone Statement of Profit and Loss for the year ended March 31, 2019.

On April 01, 2019 the Company appropriated 125,575 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	30%
April 1,2023	40%

On April 01, 2019 the Company appropriated 86,871 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	20%
April 1,2023	25%
April 1,2024	25%

On April 01, 2019 the Company appropriated 4,375 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 2 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2020	50%
April 1,2021	50%

(Amounts in INR Crores, unless otherwise stated)

On September 04, 2019, the Company introduced One97 Employees Stock Option Scheme, 2019 and further increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,166,524 as approved by the Board of Directors in the meeting held on September 04, 2019 and by the members in the Annual General Meeting held on September 30, 2019.

On October 01, 2019 the Company appropriated 72,123 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2020	10%
October 1,2021	20%
October 1,2022	20%
October 1,2023	25%
October 1,2024	25%

On September 04, 2019, Company in a Board meeting approve the cancellation/modification of 84,614 outstanding unvested employee stock options with the prior consent of the employees. This cancellation has resulted into an accelerated share based payment expense of INR 28.43 in the Standalone Statement of Profit and Loss for the year ended March 31, 2020.

On April 01, 2020 the Company has appropriated 46,654 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
April 1,2021	10%
April 1,2022	20%
April 1,2023	20%
April 1,2024	25%
April 1,2025	25%

On July 01, 2020 the Company has appropriated 2,730 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 1 year subject to achievement of milestone as determined by the Board of Directors:

Date of vesting	% of total options vesting
July 1, 2021	100%

On July 01, 2020 the Company has appropriated 15,915 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
July 1,2021	10%
July 1,2022	20%
July 1,2023	20%
July 1,2024	25%
July 1,2025	25%

(Amounts in INR Crores, unless otherwise stated)

On October 01, 2020 the Company has appropriated 321,532 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2021	10%
October 1,2022	20%
October 1,2023	20%
October 1,2024	25%
October 1,2025	25%

*Vesting of options are subject to achievement of operational performance targets as determined by the Board of Directors.

All the above options issued by the Company are Equity Settled.

During the year, Company has revised Exercise Period from “five year term post vesting date” to “anytime during the entire period of continuous active employment from the date of vesting of respective employee stock options” and the same has been approved by shareholders in Extra-Ordinary General Meeting held on September 02, 2020.

During the year, the Company increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,409,428 as approved by the Board of Directors in the meeting held on February 25, 2021 and by the members in the Extra-Ordinary General Meeting held on March 26, 2021.

The total options outstanding as at March 31, 2021 are 1,003,128 (March 31, 2020: 877,070) out of which 10,297 (March 31, 2020: 11,297) options have an exercise price of INR 10 each, 2,590 (March 31, 2020: 2,590) options have an exercise price of INR 49 each, 127,544 (March 31, 2020: 127,544) options have an exercise price of INR 180 each and 862,697 (March 31, 2020: 735,640) options have an exercise price of INR 90 each.

Grant Date	**Number of Options outstanding**	**Number of Options outstanding**	**Exercise Price**
	March 31, 2021	**March 31, 2020**	
December 31, 2008	10,297	11,297	10
December 31, 2008	2,590	2,590	49
September 03, 2010	250	250	180
December 29, 2012	127,294	127,294	180
April 01, 2014	2,464	2,464	90
April 01, 2015	4,901	4,901	90
October 01, 2015	6,468	11,074	90
April 01, 2016	56,179	83,340	90
October 01, 2016	53,755	54,137	90
April 01, 2017	99,534	150,563	90
October 01, 2017	16,668	19,302	90
April 01, 2018	108,724	159,456	90
July 01, 2018	40,958	40,958	90
October 01, 2018	3,335	10,483	90
January 01, 2019	-	47,958	90
April 01, 2019	2,790	3,190	90

(Amounts in INR Crores, unless otherwise stated)

April 01, 2019	46,542	72,920	90
April 01, 2019	4,375	4,375	90
October 01, 2019	63,763	70,518	90
April 01, 2020	38,542	-	90
July 01, 2020	16,649	-	90
October 01, 2020	297,050	-	90
	1,003,128	**877,070**	

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		INR		INR
	March 31, 2021		**March 31, 2020**	
Outstanding at the beginning of the year	877,070	101.93	960,743	100.56
Options granted during the year	386,831	90.00	288,777	90.00
Options exercised during the year**	(63,724)	89.12	(127,850)	87.50
Options forfeited during the year	(197,046)	90.00	(159,986)	90.00
Options cancelled during the year	-	90.00	(84,614)	90.00
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	1,003,128	100.52	877,070	101.93
Vested options outstanding at the end of the year (exercisable)	475,518	112.19	421,902	114.76

** The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was INR 10,706.93 per share (March 31, 2020: INR 8,263.83 per share)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2021 was 5.59 years (March 31, 2020: 4.55 years).

The weighted average fair value of options granted during the year was INR 10,666.86 per option (March 31, 2020 was INR 8,757.29 per option).

The expense recognised for employee services received during the year is shown in the following table:

	March 31,2021	March 31,2020
Expense arising from equity-settled share-based payment transactions (refer note 17)	86.74	123.53
Investment (ESOP issued to employees of subsidiary companies)	26.52	45.56
Total expense arising from share-based payment transactions	113.26	169.09

(Amounts in INR Crores, unless otherwise stated)

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2021 (computed using Discounted Cash Flow & Black-Scholes model) was INR 11,271.00 per option for grant date April 1, 2020, INR 10,666 per option for grant date July 1, 2020 & October 1, 2020. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2020
Method of Valuation - Black-Scholes Model

Share price	INR 11,271 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	2.5
Risk free interest rate	5.60-6.80%
Annualized Volatility	36.50-53.00%

Grant Date:- July 1, 2020
Method of Valuation - Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.40-5.20%
Annualized Volatility	43.20-46.80%

Grant Date:- October 1, 2020
Method of Valuation – Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.90-5.30%
Annualized Volatility	42.40-46.90%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2020 (computed using Discounted Cash Flow & Black-Scholes model) was INR 7,995.00 per option for grant date April 1, 2019, INR 11,291 per option for grant date October 1, 2019. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2019
Method of Valuation - Discounted Cash Flow Method

Share price	INR 7,995 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.80-7.20%
Annualized Volatility	40.00-53.00%

(Amounts in INR Crores, unless otherwise stated)

Grant Date:- October 1, 2019
Method of Valuation – Black-Scholes Model

Share price	INR 11,291 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.10-6.60%
Annualized Volatility	43.00-61.00%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2019 (computed using Black-Scholes model) was INR 6,015.60 per option for grant date April 1, 2018, INR 6,017.90 per option for grant date July 1, 2018, INR 6,762.90 per option for grant date October 1, 2018 and INR 6,762.60 per option for grant date January 1, 2019. The estimation of fair value on date of grant was made using the Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.20-7.40%
Annualized Volatility	59.00-64.00%

Grant Date:- July 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.82-8.10%
Annualized Volatility	59.00-62.00%

Grant Date:- October 1, 2018

Share price	INR 6,821 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.94-8.03%
Annualized Volatility	58.00-74.00%

Grant Date:- January 1, 2019

Share price	INR 6,823 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.10-7.40%
Annualized Volatility	51.00-52.00%

Notes:

1. Weighted average share price is based on the value of Equity Shares arrived at by using Discounted Cash Flow Method or Backsolve method and share prices based on secondary transactions, where available.
2. Dividend yield is considered zero, as no dividend payout is expected in the foreseeable future.
3. Risk free return is based on the yield to maturity of Indian treasury securities, with a maturity corresponding to the expected term of ESOP.
4. Annualized volatility is based on the median weekly volatility of selected comparables companies for a time period commensurate with the expected term.

(Amounts in INR crores, unless otherwise stated)

25. Related party transactions

A. Entities over which company exercise control

Name	Country of incorporation	Ownership interest held	
		As at March 31, 2021	As at March 31, 2020
Indian Subsidiaries			
One97 Communications India Limited	India	100.00%	100.00%
Paytm Financial Services Limited (till February 22, 2021)	India	-	100.00%
Paytm Entertainment Limited	India	100.00%	100.00%
Paytm Money Limited	India	100.00%	100.00%
Wasteland Entertainment Private Limited	India	100.00%	100.00%
Mobiquest Mobile Technologies Private Limited	India	65.71%	54.90%
Urja Money Private Limited	India	67.47%	67.47%
Little Internet Private Limited	India	62.53%	62.53%
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (till June 17, 2020)	India	-	100.00%
Orbgen Technologies Private Limited	India	100.00%	100.00%
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	India	100.00%	100.00%
Paytm Payments Services Limited (w.e.f October 10, 2020)	India	100.00%	-
Cube26 Software Private Limited (till September 19, 2019)	India	-	-
Paytm Insurance Broking Private Limited (w.e.f September 28, 2019)	India	100.00%	100.00%
Foreign Subsidiaries			
One97 Communications Nigeria Limited	Nigeria	100.00%	100.00%
One97 Communications FZ-LLC	Dubai	100.00%	100.00%
One97 Communications Singapore Private Limited#	Singapore	100.00%	100.00%
One97 USA Inc.	USA	100.00%	100.00%
Subsidiaries of Subsidiaries			
One97 Communications Rwanda Private Limited	Rwanda	100.00%	100.00%
One97 Communications Tanzania Private Limited	Tanzania	100.00%	100.00%
One97 Communications Bangladesh Private Limited	Bangladesh	70.00%	70.00%
One97 Uganda Limited	Uganda	100.00%	100.00%
One97 Ivory Coast SA	Ivory Coast	100.00%	100.00%
One97 Benin SA	Benin	100.00%	100.00%
Paytm Labs Inc.	Canada	100.00%	100.00%
One97 Communications Malaysia Sdn. Bdn	Malaysia	100.00%	100.00%
Nearbuy India Private Limited	India	62.53%	62.53%
Xceed IT Solution Private Limited	India	65.71%	54.90%
One Nine Seven Communication Nepal Private Limited	Nepal	100.00%	100.00%
One Nine Seven Digital Solutions Ltd (w.e.f. June 2, 2019)	Kenya	100.00%	100.00%
Fincollect Services Private Limited (w.e.f. September 25, 2019)	India	67.47%	67.47%
One Nine Seven Communications Saudi Arabia For Communication and Information Technology (w.e.f. December 25, 2019)	Saudi	100.00%	100.00%
Controlled Trust			
One97 Employee welfare Trust*	India	-	-

* Consolidated in these standalone financial statements of the Company.
# including 43.75% (March 31, 2020: 43.75%) held through One97 Communications India Limited.

B. Joint Venture of Paytm Entertainment Limited

Name	Country of incorporation	Ownership interest held	
		As at March 31, 2021	As at March 31, 2020
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) ('Paytm First')*	India	55.00%	56.93%
Paytm First Games Singapore Pte. Ltd. (w.e.f. January 2, 2020) (subsidiary of Paytm First Games Private Limited)*	Singapore	55.00%	56.93%
Paytm Technology (Beijing) Co., Ltd. (w.e.f. October 13, 2020) (wholly owned subsidiary of Paytm First Games Private Limited)#	China	55.00%	-

* The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.
# The Company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the Company.

C. Entities over which company exercise significant influence

Name	Country of incorporation	Ownership interest held	
		As at March 31, 2021	As at March 31, 2020
Paytm Payments Bank Limited#	India	49.00%	49.00%
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (w.e.f June 18, 2020)	India	48.98%	-
Foster Payment Networks Private Limited (w.e.f March 26, 2021)*	India	48.80%	-
Paytm General Insurance Limited	India	49.00%	49.00%
Paytm Life Insurance Limited	India	49.00%	49.00%
Paytm Financials Services Limited (w.e.f February 23, 2021)	India	48.78%	-
Infinity Transoft Solution Private Limited (w.e.f August 16, 2019)	India	26.57%	26.57%
Eatgood Technologies Private Limited (w.e.f December 2, 2019)	India	22.20%	20.20%
Socomo Technologies Private Limited	India	11.32%	11.32%
Loginext Solutions Private Limited (till January 1, 2021)**	India	-	31.40%
Blueface Technologies Private Limited (w.e.f April 26, 2019 till February 10, 2020)	India	-	-

including 10% (March 31, 2020: 10%) held through One97 Communications India Limited.
As per Banking Regulation Act, 1949, voting rights in a banking Company are capped at 26% in case the investor holds more than 26% in the bank.
* subsidiary of Paytm Financials Services Limited.
** During the current year, the Company ceased to have significant influence over the entity and the interest held in the entity has been recognised at fair value.

D. Key Management Personnel

Vijay Shekhar Sharma	Chairman and Managing Director
Madhur Deora	Chief Financial Officer (till September 3, 2019)
	Group Chief Financial Officer (w.e.f October 9, 2020)
Vikas Garg	Chief Financial Officer (w.e.f March 1, 2020)

E. Entities having significant influence over the Company

SAIF III Mauritius Company Limited
SAIF Partners India V Limited
SAIF Partners India IV Limited
Elevation Capital V FII Holdings Limited (Formerly known as SAIF India V FII Holdings Limited)
Alipay Singapore E-Commerce Private Limited (till January 7, 2020)
Alibaba.com Singapore E-Commerce Private Limited
Alipay Labs (Singapore) Pte Limited
SVF India Holdings (Cayman) Limited
ANTFIN (Netherlands) Holding B.V. (w.e.f January 8, 2020)

F. Relatives of Individuals owning interest in the voting power of the Company that gives the control or significant influence

Ajay Shekhar Sharma	Brother of Mr. Vijay Shekhar Sharma

(Amounts in INR crores, unless otherwise stated)

Details of transactions with related parties during the year ended March 31, 2021 and March 31, 2020:-

Particulars	March 31, 2021	March 31, 2020
Rendering of services to related parties		
One97 Communications Nigeria Limited	-	0.05
One97 Communications FZ-LLC	0.69	0.99
Mobiquest Mobile Technologies Private Limited	0.79	8.37
Paytm Payments Bank Limited	862.84	875.24
Wasteland Entertainment Private Limited	0.82	4.95
Nearbuy India Private Limited	7.38	3.20
Little Internet Private Limited	0.00	0.19
Urja Money Private Limited	0.01	-
Orbgen Technologies Private Limited	0.28	2.07
Paytm Services Private Limited	1.77	-
Paytm Insurance Broking Private Limited	0.23	-
One97 Communications Tanzania Private Limited	0.07	0.28
Paytm Money Limited	2.55	2.46
Paytm First Games Private Limited	20.33	8.84
Infinity Transoft Solution Private Limited	0.41	1.50
Eatgood Technologies Private Limited	0.03	0.53
One97 Communications Malaysia Sdn. Bdn	22.48	21.14
One97 Communications Singapore Private Limited	0.11	0.02
One97 Communications Bangladesh Private Limited	0.04	0.10
One Nine Seven Communication Nepal Private Limited	2.66	4.81
	923.49	**934.74**
Reimbursement of expenses incurred on behalf of related parties		
Paytm Payments Bank Limited	61.74	94.53
Mobiquest Mobile Technologies Private Limited	0.05	0.02
Paytm Money Limited	2.80	4.71
Wasteland Entertainment Private Limited	0.71	-
Urja Money Private Limited	0.02	-
Nearbuy India Private Limited	0.49	-
Orbgen Technologies Private Limited	0.49	-
Paytm Entertainment Limited	*	-
Paytm First Games Private Limited	23.77	4.24
Paytm General Insurance Limited	0.01	-
Paytm Labs Inc.	2.16	5.64
Paytm Services Private Limited	0.31	0.19
Paytm Entertainment Limited	*	-
Paytm Payments Services Limited	0.17	-
One97 Communications Singapore Private Limited	2.36	-
Paytm Insurance Broking Private Limited	0.53	0.27
	95.61	**109.60**
Expenses reimbursed to related party		
Paytm First Games Private Limited	8.65	-
Paytm Money Limited	2.05	-
	10.70	**-**
Interest income earned from related parties		
Paytm Payments Bank Limited	1.42	2.64
Urja Money Private Limited	0.01	0.23
Paytm Financial Services Limited	0.15	-
Little Internet Private Limited	0.84	0.21
	2.42	**3.08**
Other income earned from related parties*		
Paytm Payments Bank Limited	12.21	-
	12.21	**-**
Purchase of property, plant & equipment from related parties		
One97 Ivory Coast SA	-	0.16
	-	**0.16**
Sale of property, plant & equipment to related parties		
One Nine Seven Communication Nepal Private Limited	-	0.14
Paytm Money Limited	-	0.17
Paytm Payments Bank Limited	0.13	18.57
	0.13	**18.88**
*Included under miscellaneous income disclosed under note 16.		

(Amounts in INR crores, unless otherwise stated)

Particulars	**March 31, 2021**	**March 31, 2020**
Services received from related parties		
-**Payment processing charges**		
Paytm Payments Bank Limited	946.81	968.97
	946.81	**968.97**
-**Legal and professional fees**		
Paytm Labs Inc.	139.55	95.75
	139.55	**95.75**
-**General expenses**		
Paytm Payments Bank Limited	37.39	109.13
Alipay Labs (Singapore) Pte Limited	105.68	79.34
Orbgen Technologies Private Limited	6.31	2.03
Wasteland Entertainment Private Limited	14.27	9.03
Urja Money Private Limited	0.54	0.82
Paytm Entertainment Limited	0.18	-
Paytm Money Limited	0.86	-
Fincollect Services Private Limited	1.55	0.51
Paytm Services Private Limited	117.00	27.83
Little Internet Private Limited	0.08	0.11
Nearbuy India Private Limited	1.09	0.44
Mobiquest Mobile Technologies Private Limited	0.63	0.32
Eatgood Technologies Private Limited	1.98	-
Paytm Insuretech Private Limited	0.22	-
	287.78	**229.56**
Issue of equity shares		
Alipay Singapore E-Commerce Private Limited	-	0.79
	-	**0.79**
Security premium received		
Alipay Singapore E-Commerce Private Limited	-	1,432.23
	-	**1,432.23**
Inter corporate loan given		
Little Internet Private Limited	-	7.00
Urja Money Private Limited	1.00	-
Paytm Financial Services Limited	45.00	-
	46.00	**7.00**
Investment in subsidiaries		
Paytm Entertainment Limited	82.13	80.48
Wasteland Entertainment Private Limited	21.88	-
Paytm Money Limited	100.00	79.99
Mobiquest Mobile Technologies Private Limited	9.32	-
Paytm Services Private Limited	2.99	-
Paytm Payments Services Limited	50.00	-
Paytm Insurance Broking Private Limited	70.00	5.00
Urja Money Private Limited	-	8.00
	336.32	**173.47**
Stock Options granted to employees of Group Companies		
Paytm Entertainment Limited	1.97	3.29
One97 Communications Singapore Private Limited	9.08	19.83
Paytm Money Limited	(1.94)	5.70
Orbgen Technologies Private Limited	8.45	16.12
Paytm Insurance Broking Private Limited	2.06	0.53
Paytm Services Private Limited	0.30	0.08
One97 Communications India Limited	0.03	-
Wasteland Entertainment Private Limited	6.57	0.01
	26.52	**45.56**
Investment in associates		
Paytm General Insurance Limited	0.49	-
Blueface Technologies Private Limited	-	9.86
Infinity Transoft Solution Private Limited	-	10.00
Eatgood Technologies Private Limited	8.17	49.00
	8.66	**68.86**

(Amounts in INR crores, unless otherwise stated)

Details of balances outstanding with related parties as at March 31, 2021 and March 31, 2020:-

Particulars	**March 31, 2021**	**March 31, 2020**
Other financial assets (Other receivable for expenditure incurred)		
One97 Benin SA	0.49	0.50
One97 Communications FZ-LLC	0.10	0.21
One97 Communications Nigeria Limited	1.22	1.22
One97 Communications Tanzania Private Limited	-	0.02
One97 Ivory Coast SA	0.21	0.22
One97 Communications Bangladesh Private Limited	2.02	2.00
Paytm Labs Inc.	-	53.38
Paytm Money Limited	3.44	2.47
Paytm First Games Private Limited	14.57	6.36
Mobiquest Mobile Technologies Private Limited	0.02	0.48
Alibaba.com Singapore E-Commerce Private Limited	0.08	0.08
Paytm Payments Bank Limited	1.82	7.55
One97 Communications India Limited	0.00	0.03
Paytm Insurance Broking Private Limited	0.93	0.13
One Nine Seven Communication Nepal Private Limited	0.48	0.35
One97 Communications Malaysia Sdn. Bdn	0.74	-
Orbgen Technologies Private Limited	0.50	0.04
Paytm Financial Services Limited	0.01	-
Urja Money Private Limited	0.02	-
Paytm General Insurance Limited	0.01	-
Nearbuy India Private Limited	0.32	-
Wasteland Entertainment Private Limited	0.34	-
Paytm Services Private Limited	0.34	-
Paytm Entertainment Limited	0.01	-
Infinity Transoft Solution Private Limited	*	-
One97 Communications Singapore Private Limited	-	0.06
	27.67	**75.10**
Loss allowance for other receivable for expenditure incurred		
One97 Communications Nigeria Limited	1.03	0.55
One97 Communications Rwanda Private Limited	-	0.46
One97 Communications Bangladesh Private Limited	1.95	0.63
One97 Ivory Coast SA	0.21	0.33
One97 Benin SA	0.49	0.45
One97 Uganda Limited	-	0.76
Paytm Labs Inc.	-	0.21
	3.68	**3.39**
Amount receivable for sale of business (Other financial assets)		
Paytm Payments Bank Limited	13.85	27.50
	13.85	**27.50**
Other current assets		
Paytm Payments Bank Limited	278.49	150.11
Wasteland Entertainment Private Limited	8.27	11.85
Paytm Services Private Limited	20.33	4.96
Little Internet Private Limited	0.18	-
Fincollect Services Private Limited	1.91	-
Paytm Payments Services Limited	0.91	-
Paytm General Insurance Limited	1.72	-
Paytm Money Limited	0.06	-
Paytm Financial Services Limited	-	0.01
	311.87	**166.93**
Inter corporate loan receivable (including accrued interest)		
Little Internet Private Limited	7.97	7.19
Paytm Financial Services Limited	45.14	-
Urja Money Private Limited	1.01	-
	54.12	**7.19**
Amount receivable from payment gateway		
Paytm Payments Bank Limited	854.57	286.39
	854.57	**286.39**
Trade receivables		
One97 Communications Nigeria Limited	16.90	17.33
One97 Benin SA	0.01	0.01
One97 Communications Bangladesh Private Limited	0.07	0.08
Mobiquest Mobile Technologies Private Limited	0.00	8.39
Paytm Money Limited	0.57	0.47
Paytm Payments Bank Limited	8.83	4.06
Orbgen Technologies Private Limited	0.18	0.07
Fincollect Services Private Limited	0.01	1.27
One Nine Seven Communication Nepal Private Limited	5.93	3.83
One97 Communications Malaysia Sdn. Bdn	30.63	26.92
Paytm First Games Private Limited	15.93	-
Wasteland Entertainment Private Limited	4.63	3.67
	83.69	**66.10**

(Amounts in INR crores, unless otherwise stated)

Particulars	**March 31, 2021**	**March 31, 2020**
Loss allowance for Trade receivables		
One97 Communications Bangladesh Private Limited	0.07	-
One97 Benin SA	0.01	-
One97 Communications Nigeria Limited	16.90	13.00
	16.98	**13.00**
Other financial assets		
Paytm Payments Bank Limited	42.30	114.32
Orbgen Technologies Private Limited	0.03	0.03
Wasteland Entertainment Private Limited	0.20	1.71
Mobiquest Mobile Technologies Private Limited	0.00	0.49
Paytm Money Limited	0.60	-
Paytm First Games Private Limited	1.13	-
Little Internet Private Limited	*	-
Infinity Transoft Solution Private Limited	*	-
Nearbuy India Private Limited	6.49	0.20
Paytm Insurance Broking Private Limited	0.01	0.01
Paytm Payments Services Limited	0.17	-
Paytm Services Private Limited	0.03	-
One97 Communications Nigeria Limited	*	0.03
One97 Communications FZ-LLC	0.47	0.39
One97 Communications Tanzania Private Limited	0.07	0.12
One97 Benin SA	*	*
One97 Communications Bangladesh Private Limited	0.04	0.10
One97 Communications Singapore Private Limited	2.47	0.02
One Nine Seven Communication Nepal Private Limited	0.21	0.19
One97 Communications Malaysia Sdn. Bdn	2.22	0.79
	56.44	**118.40**
Trade payables (including accrued expenses)		
One97 Communications India Limited	-	0.12
Alipay Labs (Singapore) Pte Limited	33.67	80.90
Paytm Payments Bank Limited	12.36	8.61
Orbgen Technologies Private Limited	0.29	0.04
Wasteland Entertainment Private Limited	5.70	4.43
Paytm First Games Private Limited	0.14	0.04
Paytm Services Private Limited	24.39	4.93
Urja Money Private Limited	0.54	0.77
Fincollect Services Private Limited	1.00	0.51
Paytm Insurance Broking Private Limited	0.02	0.94
Paytm Insuretech Private Limited	0.23	-
Mobiquest Mobile Technologies Private Limited	0.14	0.05
Eatgood Technologies Private Limited	0.15	-
Paytm General Insurance Limited	0.02	0.02
Paytm Entertainment Limited	0.19	0.01
Nearbuy India Private Limited	0.07	0.05
Little Internet Private Limited	0.19	0.09
Paytm Labs Inc.	10.90	-
Paytm Money Limited	2.55	0.33
	92.55	**101.84**
Other financial liabilities		
-Payable to merchants		
Socomo Technologies Private Limited	*	0.02
Little Internet Private Limited	*	-
Paytm Payments Bank Limited	72.19	13.17
Nearbuy India Private Limited	0.53	0.48
Orbgen Technologies Private Limited	0.01	0.28
Wasteland Entertainment Private Limited	0.05	0.78
Urja Money Private Limited	*	-
Paytm First Games Private Limited	-	0.02
Mobiquest Mobile Technologies Private Limited	0.01	-
Eatgood Technologies Private Limited	0.04	-
Paytm Services Private Limited	0.18	-
Infinity Transoft Solution Private Limited	*	-
Fincollect Services Private Limited	*	0.01
	73.01	**14.76**
-Payable on purchase of fixed assets		
Orbgen Technologies Private Limited	0.27	2.21
Paytm Money Limited	*	-
Paytm Insuretech Private Limited	-	0.12
One97 Ivory Coast SA	-	0.17
Paytm Services Private Limited	-	0.01
	0.27	**2.51**
Other amount received from customers (Other financial liabilities)		
Little Internet Private Limited	0.01	-
Paytm Payments Bank Limited	8.25	-
Nearbuy India Private Limited	*	-
Mobiquest Mobile Technologies Private Limited	*	-
Urja Money Private Limited	*	-
Socomo Technologies Private Limited	0.02	-
Wasteland Entertainment Private Limited	0.05	-
	8.33	**-**

(Amounts in INR crores, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020
Contract Liabilities		
Infinity Transoft Solution Private Limited	*	0.16
Eatgood Technologies Private Limited	*	-
Paytm Services Private Limited	0.26	-
	0.26	**0.16**
Other Current Liabilities		
Paytm First Games Private Limited	8.12	7.95
	8.12	**7.95**
Balances with banks on current account		
Paytm Payments Bank Limited	-	*
	-	*

* Amount below rounding off norms adopted by the Company

Remuneration to KMP & Relatives of Individuals owning interest in the voting power of the Company that gives the control or significant

Particulars	March 31, 2021	March 31, 2020
Salaries, bonus and incentives	7.20	5.62
ESOP Expenses	11.23	4.54
Total compensation paid	**18.43**	**10.16**

Terms and conditions of transactions with related parties

(i) The services provided and received from related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances at the period end are unsecured and interest free (except for inter corporate loan receivable) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(ii) The remuneration to the key managerial personnel (‘KMP’) does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Company as a whole.

(iii) The Company has agreed to provide appropriate financial support only if and to the extent required by certain of its subsidiaries and joint ventures.

(iv) No remuneration in the capacity of a director is paid to any director of the Company except as disclosed above.

(Amounts in INR crores, unless otherwise stated)

26. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised fund/insurer in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. Disclosures given below are as per actuarial valuation report of independent Actuary.

The following tables summarize the components of net benefit expenses recognized in the Standalone Statement of Profit and Loss and the funded status and amount recognized in the Standalone Balance Sheet.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2021:

		Defined benefit obligation	**Fair value of plan assets ***	**Benefit liability (Net)**
	As at April 01, 2020	26.61	(9.93)	16.68
Gratuity cost charged to profit or loss	Current Service cost	8.34	-	-
	Net interest expense/ (income)	1.80	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.68)	-
	Sub-total included in profit or loss	**10.14**	**(0.68)**	**9.46**
Remeasurement (gains)/ losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.57	-	-
	Experience adjustments	1.13	(0.16)	-
	Sub-total included in OCI	**1.70**	**(0.16)**	**1.54**
	Net liability transferred on transfer of employees	1.68	-	1.68
	Benefits paid	(2.76)	2.90	0.14
	Contributions by employer	-	(9.00)	(9.00)
	As at March 31, 2021	**37.37**	**(16.87)**	**20.50**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020:

		Defined benefit obligation	**Fair value of plan assets ***	**Benefit liability (Net)**
	As at April 01, 2019	19.73	(11.08)	8.65
Gratuity cost charged to profit or loss	Current Service cost	6.18	-	-
	Net interest expense/ (income)	1.51	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.84)	-
	Sub-total included in profit or loss	**7.69**	**(0.84)**	**6.85**
Remeasurement (gains)/ losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	0.01	-	-
	Actuarial changes arising from changes in financial assumptions	0.38	-	-
	Experience adjustments	0.27	0.04	-
	Sub-total included in OCI	**0.66**	**0.04**	**0.70**
	Net liability transferred on transfer of employees	0.48	-	0.48
	Benefits paid	(1.95)	1.95	-
	Contributions by employer	-	-	-
	As at March 31, 2020	**26.61**	**(9.93)**	**16.68**

* Fair value of the total plan assets are 100% in funds managed by Insurer.

(Amounts in INR crores, unless otherwise stated)

The net liability disclosed above relates to funded plans are as follows:

	March 31, 2021	March 31, 2020
Present value of the obligations at end	37.37	26.61
Fair value of plan assets	(16.87)	(9.93)
Deficit of funded plan/gratuity plan	**20.50**	**16.68**

The principal assumptions used in determining defined benefit obligations are shown below:

(i) Economic Assumptions

Particulars	March 31, 2021	March 31, 2020
	%	%
Discount rate	6.76	6.76
Future salary increases	10%	FY 20-21: 0.00% FY 21-22: 5.00% Post FY 21-22: 10.00%

(i) Demographic Assumptions

Particulars	March 31, 2021	March 31, 2020
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Ages	**Withdrawal Rate %**	
Up to 30 Years	30	30
From 31 to 44 years	30	30
Above 44 years	30	30

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	March 31, 2021		March 31, 2021	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.64)	0.66	0.58	(0.57)

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

	March 31, 2020		March 31, 2020	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.46)	0.47	0.43	(0.42)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The methods and types of assumptions used in preparing the sensivity analysis did not change compared to the prior period.

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are INR 11.35 (March 31, 2021 - 8.39).

The weighted average duration of the defined benefit obligation is 2.76 (March 31, 2020- 2.76).

The expected maturity analysis of gratuity is as follows:

	March 31, 2021	March 31, 2020
Within the next 12 months (next annual reporting period)	6.67	4.65
Between 1-2 years	7.40	5.26
Between 2 and 5 years	13.49	9.50
Beyond 5 years	9.82	7.20
Total expected payments	**37.37**	**26.61**

(Amounts in INR crores, unless otherwise stated)

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan assets are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, there will be a deficit of the plan asset investments in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.

Changes in bond yields: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Inflation risks: The payments are not linked to inflation, so this is a less material risk.

Life expectancy: Obligations are to provide benefits for the life of the member, so increases in life expectancy and inflation will result in an increase in the plans' liabilities. This is particularly significant where inflationary conditions result in higher sensitivity to changes in life expectancy.

Major categories of plans assets are as follows:

	March 31, 2021		March 31, 2020	
Particulars	**Amount**	**in %**	**Amount**	**in %**
Government securities	(6.64)	39.39	(4.49)	45.22
Non convertible debentures/ Corporate bonds	(8.50)	50.37	(4.42)	44.51
Others	(1.73)	10.24	(1.02)	10.27
Total	**(16.87)**	**100.00**	**(9.93)**	**100.00**

(Amounts in INR crores, unless otherwise stated)

27. Income Tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:
Standalone Statement of Profit and Loss:

	March 31, 2021	March 31, 2020
Current income tax:		
Current income tax charge	0.22	0.05
Adjustments in respect of current income tax of previous year expense/(credit)	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the Standalone Statement of Profit and Loss	**0.22**	**0.05**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

	March 31, 2021	March 31, 2020
Accounting profit before income tax including discontinued operations	(1,559.98)	(2,833.13)
Tax at India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	(392.62)	(713.04)
Tax expense during the year for One97 Employee Welfare Trust (Refer note 25)	0.22	0.05
Other non-deductible expenses	4.69	5.11
Losses on which deferred taxes not recognised*	337.11	537.93
Unabsorbed depreciation on which deferred taxes not recognised*	24.98	23.56
Other temporary differences on which deferred taxes not recognised*	25.84	146.44
Income tax expense reported in the statement of profit and loss	0.22	0.05

Deferred tax relates to the following:

	March 31, 2021		March 31, 2021	March 31, 2020	
	Temporary Differences	Tax	Movement in statement of Profit and Loss	Temporary Differences	Tax
Deferred tax liabilities					
Accelerated depreciation for tax purposes	-	-	-	-	-
Unrealised gain on investments	-	-	(11.52)	(45.77)	(11.52)
Deferred tax assets					
Unabsorbed depreciation	-	-	11.52	45.77	11.52
Net deferred tax assets/(liabilities)*	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

* Deferred tax has been recognised to the extent of available deferred tax liabilities since it is not probable that taxable profits will be available against which the unutilsed tax losses and temporary differences can be utilised, as assessed at March 31,2021 and March 31,2020.

Deductible temporary differences for which no deferred tax asset is recognised in the Standalone Balance Sheet:

Particulars	**Expiry Date (Year ending March 31,)**	**As of March 31, 2021**	**As of March 31, 2021 Tax impact @ 25.17%**
Tax Losses	2023	331.61	83.46
	2024	1,494.29	376.08
	2025	717.55	180.59
	2026	1,340.99	337.50
	2027	3,763.81	947.28
	2028	2,137.34	537.93
	2029	1,339.42	337.11
Total tax losses		**11,125.01**	**2,799.95**
Unabsorbed depreciation	No expiry period	425.79	107.16
Other temporary differences		935.06	235.34
Total		**12,485.86**	**3,142.45**

Particulars	**Expiry Date (Year ending March 31,)**	**As of March 31, 2020**	**As of March 31, 2020 Tax impact @ 25.17%**
Tax Losses	2023	331.61	83.46
	2024	1,494.29	376.08
	2025	717.55	180.59
	2026	1,340.99	337.50
	2027	3,763.81	947.28
	2028	2,137.34	537.93
Total tax losses		**9,785.59**	**2,462.84**
Unabsorbed depreciation	No expiry period	280.75	70.66
Other temporary differences		878.18	221.02
Total		**10,944.52**	**2,754.52**

(Amounts in INR crores, unless otherwise stated)

28. Commitments and contingencies

a. Leases

Operating lease: Company as Lessee

The Company has taken certain office space on operating lease. Rental expense towards leases charged to Standalone Statement of Profit and Loss for the year ended March 31, 2021 amount to INR 0.95 (March 31, 2020 INR 5.88).

The company leases various offices under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

b. Lease not yet commenced

During the current year, the Company has entered into a lease agreement for 9 years having lock-in period of 5 years, for which lease is not yet commenced as on March 31, 2021. The Company is committed to pay lease rentals of INR 143.86 over the period of 5 years. No such arrangement existed as on March 31, 2020.

c. Capital commitments

Estimated amount of contracts towards property, plant & equipment remaining to be executed on capital account and not provided for is INR 371.88 (Net of capital advance of INR 17.94) [March 31, 2020: INR 86.96 (Net of capital advances of INR 5.35)].

d. Contingent liabilities

i)

	March 31, 2021	March 31, 2020
Claims against the Company not acknowledged as debts	46.02	46.54
Income tax related matters	1.61	-
Total	**47.63**	**46.54**

ii) The Company will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Standalone Financial Statements.

iii) The Company has been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. The company actively monitors such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.

Notes:

1) It is not practicable for the Company to estimate the timing of cash outflows, if any.

2) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(Amounts in INR crores, unless otherwise stated)

29. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	March 31 2021	March 31 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due under MSMED Act	2.94	9.99
- Interest due on above	0.05	0.12
	2.99	10.11
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	0.92	0.42
The amount of interest accrued and remaining unpaid at the end of each accounting year, for payment already made	2.14	1.22
The amount of further interest remaining due and payable even in the earlier years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	64.92	45.86

Total Oustanding dues of micro and small enterprises is INR 5.13 (March 31, 2020: INR 11.33).

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(Amounts in INR Crores, unless otherwise stated)

30. Fair value

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021

	As of March 31, 2021	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investment in Equity shares	2.65	-	-	2.65
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	4.00	-	-	4.00
Investment in Equity shares	5.34	-	-	5.34
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	625.13	-	-	625.13

*The Company has an option to covert into equity shares of counter party.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020

	As of March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investment in Equity Shares	2.65	-	-	2.65
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	59.67	-	-	59.67
Investment in Equity Shares	13.20	-	-	13.20
Investment in Mutual Funds	2,192.60	2,192.60	-	-
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	585.19	-	-	585.19

*The Company has an option to covert into equity shares of counter party.

The management has assessed that fair value of all other financial assets and liabilities including cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, other financial assets, investments, trade payables, lease liabilities, borrowings and other financial liabilities, approximate their carrying amounts.

(Amounts in INR Crores, unless otherwise stated)

31. Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

(i) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, being a 0.5% increase or decrease in interest rate, with all other variables held constant, of the Company's loss before tax due to the impact on floating rate borrowings.

As at	March 31, 2021	March 31, 2020
Effect on loss before tax:		
Decrease by 50 bps	(2.72)	(1.01)
Increase by 50 bps	2.72	1.01

Other financial assets and liabilities of the Company are either non-interest bearing or fixed interest bearing instruments, the Company's net exposure to interest risk on such instruments is negligible.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(Amounts in INR Crores, unless otherwise stated)

(ii) Price risk

The Company invests its surplus funds in various debt instruments and debt mutual funds. These comprise of primarily liquid schemes of mutual funds (liquid investments), debentures and fixed deposits. All mutual fund investments are in liquid scheme only.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

Set out below is the impact of a 0.25% movement in the NAV of mutual funds and debt instruments on the Company's loss before tax:

	Change in NAV	Effect on loss before tax
March 31, 2021	0.25%	(0.37)
	-0.25%	0.37
March 31, 2020	0.25%	(7.89)
	-0.25%	7.89

The Company is also exposed to equity/ preference shares price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss (refer note 7(a) and 7(b)). To manage its price risk arising from investments in equity/ preference shares, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.

(iii) Foreign currency risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The carrying amounts of the Company's financial assets and liabilities denominated in United States Dollar (USD), Canadian Dollar (CAD) and Malaysian Ringgit (MYR) are as follows:

	As at March 31, 2021		**As at March 31, 2020**	
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
Amount in USD Crores	0.38	0.32	0.56	0.33
Amount in CAD Crores	-	0.27	0.78	-
Amount in MYR Crores	1.82	-	1.56	-

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in USD and exchange rates, with all other variables held constant.

	Change in USD rate	**Effect on loss before tax**
March 31, 2021	10% strengthening of USD against INR	(0.54)
	10% weakening of USD against INR	0.44
March 31, 2020	10% strengthening of USD against INR	(1.96)
	10% weakening of USD against INR	1.60

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in CAD and exchange rates, with all other variables held constant.

	Change in CAD rate	**Effect on loss before tax**
March 31, 2021	10% strengthening of CAD against INR	1.71
	10% weakening of CAD against INR	(1.40)
March 31, 2020	10% strengthening of CAD against INR	(4.63)
	10% weakening of CAD against INR	3.79

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in MYR and exchange rates, with all other variables held constant.

(Amounts in INR Crores, unless otherwise stated)

	Change in MYR rate	Effect on loss before tax
March 31, 2021	10% strengthening of MYR against INR	(3.61)
	10% weakening of MYR against INR	2.87
March 31, 2020	10% strengthening of MYR against INR	(2.99)
	10% weakening of MYR against INR	2.45

The Company's exposure to foreign currency changes for all other currencies is not material.

The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

b. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

All of the entity's investments and loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(i) Trade receivables

The Company is exposed to credit risk in the event of non-payment by customers. Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date by grouping the receivables in homogeneous group. The calculation is based on lifetime expected credit losses.

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2021

Ageing in years	0-1 year	1-2 year	2-3 year	>3 year	Specific	Total
Gross carrying amount- trade receivables	370.34	28.08	11.99	21.71	68.02	500.14
Expected credit losses (Loss allowance provision)- trade receivables	11.07	16.72	11.06	20.50	68.02	127.37
Carrying amount of trade receivables (net of impairment)	359.27	11.35	0.94	1.21	0.00	372.77

(Amounts in INR Crores, unless otherwise stated)

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2020

Ageing in years	0-1 year	1-2 year	2-3 year	>3 year	Specific	Total
Gross carrying amount- trade receivables	316.94	19.23	11.05	16.11	71.86	435.19
Expected credit losses (Loss allowance provision)- trade receivables	7.97	7.14	6.50	14.22	71.86	107.69
Carrying amount of trade receivables (net of impairment)	308.97	12.09	4.55	1.89	0.00	327.50

Reconciliation of loss allowance	Loss allowance measured at 12 month expected loss
Loss allowance as on April 1, 2019	74.21
Creation during the year	33.48
Loss Allowance as on March 31, 2020	**107.69**
Creation during the year	19.68
Loss Allowance as on March 31, 2021	**127.37**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

(ii) Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds is made only with banks of high repute.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as disclosed in Note 7.

Reconciliation of loss allowance	Loss allowance measured at 12 month expected loss
Loss allowance as on April 1, 2019	24.34
Creation during the year	2.28
Loss Allowance as on March 31, 2020	**26.62**
Creation during the year	27.35
Loss Allowance as on March 31, 2021	**53.97**

(Amounts in INR Crores, unless otherwise stated)

c. Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans etc. Company monitor their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Company also monitors compliance with its debt covenants. The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	0-180 days	181-365 days	1-2 Year	More than 2 year	Total
As at March 31, 2021					
Borrowings	544.40	-	-		544.40
Lease liabilities	9.72	9.99	12.57	41.88	74.16
Trade payables	613.72	-	-		613.72
Other financial liabilities	416.02	-	-		416.02
Total	**1,583.86**	**9.99**	**12.57**	**41.88**	**1,648.30**
As at March 31, 2020					
Borrowings	193.43	7.66	-		201.09
Lease liabilities	23.65	26.25	50.74	189.33	289.97
Trade payables	573.38	-	-		573.38
Other financial liabilities	199.15	-	-		199.15
Total	**989.61**	**33.91**	**50.74**	**189.33**	**1,263.69**

32. Capital Management

The Company's objectives while managing capital is to safeguard its ability to continue as a going concern and to generate adequate returns for its shareholders and ensuring benefits for other stakeholders. The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

Company's capital management objective is to remain majorly a debt-free company till the time it achieves break-even. In order to meet this objective, Company meets anticipated funding requirements for developing new businesses, expanding its geographical base, entering in to strategic mergers and acquisitions and other strategic investments, by issuance of equity capital together with cash generated from Company's operating and investing activities. The company utilizes certain working capital facilities in the form of short term bank overdraft and term loans to meet anticipated interim working capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

(Amounts in INR Crores, unless otherwise stated)

33. Segment Reporting

During the year, the Company has reassessed the basis of segment reporting. This reassessment has been necessitated by the change in business strategy over the period, increased interdependency between various service lines, increased fungibility of resources/common cost, change in the way Board of Directors (Chief Operating Decision Maker "CODM") review Company performance etc.. Until the previous year the Company disclosed four reportable segments that were Payment, Commerce, Cloud and others.

In line with the above shift in business strategy and the consequent change in the way the CODM reviews the performance, management of the Company has aligned segment disclosure to the above change. Further, it has been concluded that though there are different business units of the Company, including Payment and Financial services, Commerce and cloud services, information reviewed by the CODM is at the revenue level and the Company does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units. Allocation of resources and assessment of financial performance is done at the consolidated level.

Accordingly, it has been assessed that Company operates in a single operating as well as Reportable Segment.

The Company has revenues primarily from customers domiciled in India. Substantially all of the Company's non-current operating assets are domiciled in India.

Information about major customers

Revenues of INR 862.84 are derived from one external customer (March 31, 2020: INR 1,522.56 from two external customers).

34. Details of Transactions and outstanding balances of Paytm E-Commerce Private Limited (PEPL)

Details of transactions entered during the year

	March 31, 2021	March 31, 2020
Rendering of services to PEPL	134.40	392.06
Other operating revenue - Recovery of marketing expense	-	255.26
Reimbursement of expenses incurred on behalf of PEPL	31.43	114.09
Interest Income on unwinding of Discount	11.01	22.13
Services received from PEPL	24.24	50.00
Sale of Property, Plant & Equipment	-	0.19
Purchase of Property, Plant & Equipment	-	0.45

Details of outstanding balances

	March 31, 2021	March 31, 2020
Other Financial Assets*	639.41	693.83
Trade payables	20.19	-
Other Financial Liability	5.79	7.15
Contract liabilities	520.60	622.49
Trade Receivable	7.72	19.32

*Other receivable from other parties given in Note 7 (d) of the financial statements includes derivative assets of INR 5.58 (March 31, 2020 INR 20.93). The same is not included in the above reported balances.

35. Overdue outstanding foreign currency receivable and payable

As of March 31, 2021, the Company has certain foreign currency payable balances aggregating to INR 0.01 and INR 0.16 which are outstanding for more than twelve months (extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years respectively. The Company had applied to the Authorized Dealer seeking permission for extension of time period for settlement of the payables. Further, during this year, the Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 0.06 and INR 0.11 respectively and approval is currently awaited.

As of March 31, 2021, the Company also has certain foreign currency receivable balances aggregating to INR 8.85 and INR 20.41 which are outstanding for more than fifteen months (extended from nine months via RBI circular-RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years respectively. The Company has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020. Further, an application has been made to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of receivable balances amounting to INR 19.90 and write off of receivable balances amounting to INR 9.36 and approval is currently awaited.

Management does not expect any material financial implication on account of the delay under existing regulations.

36. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. For this purpose, the Company has appointed independent consultants for conducting Transfer Pricing Study. Management is of the opinion that its international transactions with associated enterprises have been undertaken at arms' length basis at duly negotiated prices on usual commercial terms. The transfer pricing study for the year ended March 31, 2020 has been completed which did not result in any material adjustment.

37. Corporate Social Responsibilities (CSR) expenditure

The Company has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per section 135 of the Act which was required to be spent on CSR activities in the current financial year by the Company. However, the Company has spent an amount of INR 0.43 (March 31, 2020: INR 0.82) as CSR expenditure.

38. The Company is in the process of making an application to the MCA for condonation in respect of inadvertent delay and consequential inability to e-file certain board / EGM resolutions as required under the Companies Act, 2013. In the opinion of the management, no material impact is expected on the financial statements on conclusion of the condonation process by the MCA.

39. Subsequent to the year end, the Board of directors of the Company in its meeting held on May 28, 2021 have approved sub-division of existing authorised share capital of the Company from INR 104.11 consisting of 104,106,600 equity shares of face value of Rs. 10 each to 1,041,066,000 equity shares of face value of Rs. 1 each and sub-division of existing issued, subscribed and paid up equity share capital of the Company from INR 60.49 consisting of 60,491,485 (including 9,081 shares issued subsequent to the balance sheet date) equity shares of face value of Rs. 10 each to 604,914,850 equity shares of face value of Rs. 1 each. The above approval is subject to approval of the shareholders in general meeting as prescribed under Section 61 and other applicable sections of the Companies Act, 2013.

40. Previous year figures have been regrouped/reclassified to conform to current year classification.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of One97 Communications Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of One97 Communications Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture (refer Note 23 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2021, of consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. 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 Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint venture in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 16 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City,
Gurgaon - 122 002 T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Emphasis of Matter

4. We draw your attention to the following matters:

   a) Note 2.1 to the Consolidated Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. The management believes that no adjustments are required in the Consolidated Financial Statements as it does not impact the current financial year, however, in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

   b) Note 39 to the Consolidated Financial Statements relating to:

      i. non-settlement of foreign currency payables as at March 31, 2021 amounting to INR 0.01 crores and INR 0.16 crores, due for more than twelve months (time period extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years, respectively, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended), issued by RBI. The Holding Company had applied to the Authorised Dealer (AD) seeking permission for extension of time period for settlement of the payables. Further, during this year, the Holding Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 0.06 and INR 0.11 respectively and approval is currently awaited.

      ii. non-realisation of foreign currency receivables as at March 31, 2021 amounting to INR 9.11 crores and INR 20.71 crores, due for more than fifteen months (time period extended from nine months via RBI circular RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020) and three years, respectively, from the date of exports, and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the RBI. The Group has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020 filed by the Holding Company. Further, the Holding Company has made an application to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit and write off receivable balances and approval is currently awaited.

   c) Note 41(c) to the Consolidated Financial Statements, which indicates that one of the Subsidiary Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Subsidiary Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, the Subsidiary Company's Management has stated that this position is temporary in nature and the Subsidiary Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application with the RBI seeking dispensation from registration as NBFC.

   Our opinion is not modified in respect of the above matters.

5. The following emphasis of matter paragraph has been included in the independent auditor's report dated May 21, 2021 issued by independent firm of chartered accountants on the audit of the standalone financial statements of Nearbuy India Private Limited which has been reported as under:

   We draw attention to Note 1(a) of the accompanying Ind AS financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter.

   Note 1(a) referred above corresponds to Note 41(a) to the Consolidated Financial Statements.

6. The following emphasis of matter paragraph has been included in the independent auditor's report dated May 18, 2021 issued by independent firm of chartered accountants on the audit of the standalone financial statements of Wasteland Entertainment Private Limited which has been reported as under:

   We draw attention to Note 2.1 to the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter.

   Note 2.1 referred above corresponds to Note 41(b) to the Consolidated Financial Statements.

Other Information

7. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's Directors' report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 15 below), 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 Consolidated Financial Statements

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

10. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

12. 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 Consolidated 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 Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group and its associates and joint venture 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 Consolidated 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 Group and its associates and joint venture to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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.

14. 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.

Other Matters

15. We did not audit the financial statements/financial information of 11 subsidiaries whose financial statements/ financial information reflect total assets of INR 460.13 crores and net assets of INR 238.09 crores as at March 31, 2021, total revenue of INR 279.32 crores, total comprehensive income (comprising of loss and other comprehensive income) of INR (-) 112.58 crores and net cash flows amounting to INR 29.99 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of INR 9.15 crores for the year ended March 31, 2021 as considered in the Consolidated Financial Statements, in respect of 2 associates, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

16. We did not audit the financial information of 12 subsidiaries whose financial information reflect total assets of INR 57.73 crores and net assets of INR 12.74 crores as at March 31, 2021, total revenue of INR 27.95 crores, total comprehensive income (comprising of profit and other comprehensive income) of INR 11.10 crores and net cash flows amounting to INR 8.11 crores for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of INR (-) 5.00 crores for the year ended March 31, 2021 as considered in the Consolidated Financial Statements, in respect of 5 associates, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associates and joint venture– Refer Note 29(d) to the Consolidated Financial Statements.

ii. The Group, its associates and joint venture had long-term contracts including derivative contracts as at March 31, 2021 for which there were no material foreseeable losses.

iii. During the year ended March 31, 2021, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture incorporated in India.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group, its associates and joint venture for the year ended March 31, 2021.

18. The Group, its associates and joint venture has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 21058507AAAAAZ7521

Place: Gurugram
Date: May 28, 2021

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2021

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

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of One97 Communications Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, its associates and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries, its associates and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. 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

7. 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

8. In our opinion, the Holding Company, its subsidiaries, its associates and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer para 4 a) of main audit report.

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2021

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 8 subsidiaries and 2 associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Also refer paras 5 and 6 of main audit report. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sd/-
Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 21058507AAAAAZ7521

Place: Gurugram
Date: May 28, 2021

Consolidated Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Consolidated Balance Sheet as at March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	299.20	261.63
Right-of-use-assets	3(b)	128.26	267.37
Capital work in progress		20.83	13.08
Goodwill	4	46.70	46.70
Other intangible assets	4	17.09	17.79
Intangible assets under development		2.79	1.59
Investment in joint ventures	5(a)	-	76.22
Investment in associates	5(b)	231.67	246.83
Financial assets			
Investments	6(a), 6(b)	34.13	227.60
Loans	6(c)	125.76	155.54
Other financial assets	6(d)	261.30	1,971.99
Current tax assets		301.60	493.71
Deferred tax assets	28	3.51	3.18
Other non-current assets	8	278.63	84.23
Total Non-Current Assets		**1,751.47**	**3,867.46**
Current assets			
Financial assets			
Investments	6(a)	147.18	3,189.45
Trade receivables	7	339.26	300.95
Cash and cash equivalents	9(a)	546.81	423.16
Bank balances other than cash and cash equivalents	9(b)	2,329.62	116.98
Loans	6(c)	256.40	70.24
Other financial assets	6(d)	2,375.31	1,020.69
Other current assets	8	1,405.29	1,314.18
Total Current Assets		**7,399.87**	**6,435.65**
TOTAL ASSETS		**9,151.34**	**10,303.11**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10(a)	60.48	60.43
Other equity	10(b)	6,474.32	8,044.83
Equity attributable to owner of the parent		**6,534.80**	**8,105.26**
Non-controlling interests		(18.59)	(14.03)
Total Equity		**6,516.21**	**8,091.23**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3(b)	42.65	182.24
Deferred tax liabilities	28	0.62	1.11
Contract Liabilities	13(b)	411.91	342.25
Provisions	11	24.69	20.33
Total Non-Current Liabilities		**479.87**	**545.93**
Current liabilities			
Financial liabilities			
Borrowings	12(a)	544.90	208.14
Lease liabilities	3(b)	24.40	37.20
Trade payables			
(a) Total Outstanding dues of micro and small enterprises	12(b)	5.56	11.39
(b) Total Outstanding dues other than (a) above	12(b)	599.66	600.20
Others financial liabilities	12(c)	515.28	233.83
Contract Liabilities	13(b)	158.13	318.06
Other current liabilities	13(a)	264.35	201.35
Provisions	11	42.98	55.78
Total Current Liabilities		**2,155.26**	**1,665.95**
Total Liabilities		**2,635.13**	**2,211.88**
TOTAL EQUITY AND LIABILITIES		**9,151.34**	**10,303.11**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer

Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Consolidated Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Consolidated Statement of Profit and Loss for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	14	2,802.41	3,280.84
Other income	15	384.39	259.93
Total income		**3,186.80**	**3,540.77**
Expenses			
Payment processing charges		1,916.78	2,265.91
Marketing and promotional expenses		532.52	1,397.05
Employee benefits expense	16	1,184.90	1,119.30
Software, cloud and data centre expenses		349.80	360.28
Depreciation and amortization expense	18	178.45	174.52
Finance costs	17	34.83	48.52
Other expenses	19	585.67	772.65
Total expenses		**4,782.95**	**6,138.23**
Loss before share of loss of associates / joint ventures, exceptional items and tax		**(1,596.15)**	**(2,597.46)**
Share of loss of associates / joint ventures	24	(74.01)	(56.00)
Loss before exceptional items and tax		**(1,670.16)**	**(2,653.46)**
Exceptional items	20	(28.15)	(304.66)
Loss before tax		**(1,698.31)**	**(2,958.12)**
Income Tax expense			
Current tax	28	3.44	1.63
Deferred tax expense/(credit)	28	(0.74)	(17.39)
Total Tax expense		**2.70**	**(15.76)**
Loss for the year		**(1,701.01)**	**(2,942.36)**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-mesurement losses on defined benefit plans	27	(1.64)	(0.44)
Changes in fair value of equity instruments at FVTOCI		(5.31)	0.20
Items that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		3.95	(0.72)
Total Other Comprehensive Income/(Loss) for the year		**(3.00)**	**(0.96)**
Total Comprehensive Income/ (Loss) for the year		**(1,704.01)**	**(2,943.32)**
Loss for the year			
Attributable to:			
Owners of the parent		(1,696.07)	(2,842.17)
Non-controlling interests		(4.94)	(100.19)
		(1,701.01)	(2,942.36)
Other comprehensive income for the year			
Attributable to:			
Owners of the parent		(3.05)	(0.95)
Non-controlling interests		0.05	(0.01)
		(3.00)	(0.96)
Total comprehensive income/(loss) for the year			
Attributable to:			
Owners of the parent		(1,699.12)	(2,843.12)
Non-controlling interests		(4.89)	(100.20)
		(1,704.01)	(2,943.32)
Basic & Diluted Earnings per share attributable to owners of the parent (INR per share)	21	(281.69)	(488.13)

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Consolidated Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Consolidated Statement of Cash Flows for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities:			
Loss before tax		**(1,698.31)**	**(2,958.12)**
Adjustments for			
Depreciation and amortization expense	18	178.45	174.52
Interest income	15	(222.85)	(59.34)
Interest Income on unwinding of discount - financial assets measured at amortized cost	15	(21.77)	(33.44)
Interest on borrowing at amortized cost	17	21.58	25.25
Interest and finance charges on lease liabilities	17	12.31	21.79
Gain on lease termination		(5.00)	-
Stock acquisition rights (PayPay Corporation)		(22.14)	-
Trade receivables / advances written off	19	6.69	1.82
Provision for advances	19	1.86	6.50
Loss allowance for financial assets	19	42.80	31.96
(Gain) / loss on sale of investment in associates and subsidiaries	20	(1.85)	10.29
Liabilities / provision no longer required written back	15	(3.04)	(5.12)
Provision for impairment of investments in associates	20	30.00	9.96
Property, plant and equipment and intangible assets written off	19	0.32	0.20
Impairment of goodwill and Intangible on acquisition	20	-	284.41
Non-cash employee share based payment expenses	16	112.54	166.06
Provision for employee incentive		6.70	46.71
Share of result of associates	24	74.01	56.00
Fair value gain on financial instruments measured at FVTPL (net)	15	(89.92)	(135.33)
Profit on sale of property, plant and equipment (net)	15	(1.83)	(1.19)
Operating loss before working capital changes		**(1,579.45)**	**(2,357.07)**
Working capital adjustments:			
Increase/(decrease) in trade payables		(3.33)	(119.95)
Increase/(decrease) in provisions		(8.52)	21.19
Increase /(decrease) in other current liabilities and contract liabilities		(27.27)	349.63
Increase/(decrease) in other financial liabilities		266.91	(477.09)
(Increase)/decrease in trade receivables		(61.15)	(74.47)
(Increase)/decrease in other financial assets		(573.78)	213.61
(Increase)/decrease in other current and non current assets		(272.90)	147.20
(Increase)/decrease in loans		(10.18)	(53.09)
Cash used in operations		**(2,269.67)**	**(2,350.04)**
Income taxes (net off refunds)		187.11	(26.51)
Net cash (outflow) from operating activities (A)		**(2,082.56)**	**(2,376.55)**
Cash flow from/(used in) investing activities			
Purchase of property, plant and equipment including intangible assets, work in progress and capital advances		(192.65)	(190.65)
Proceeds from sale of property, plant and equipment		5.57	4.10
Investment in bank deposits		(2,153.44)	(1,442.72)
Maturity of bank deposits		1,041.94	112.75
Proceeds from repayment of inter corporate loans		0.54	252.22
Inter corporate loans given		(160.75)	-
Investments in joint ventures and associates		(8.66)	(145.69)
Proceeds from sale of non current investments		103.57	0.67
Proceeds from sale of current investments		9,945.57	7,335.18
Payment for purchase of investments		(6,746.79)	(7,960.31)
Interest received		95.01	38.14
Net cash inflow / (outflow) from investing activities (B)		**1,929.91**	**(1,996.31)**

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Consolidated Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Consolidated Statement of Cash Flows for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from/(used in) financing activities			
Proceeds from issue of shares		10.72	5,054.05
Share issue expenses		-	(14.04)
Share application money received during the year		0.20	-
Acquisition of non controlling interests	37	(6.27)	(8.00)
Repayment of term loan		(72.91)	(60.61)
Repayment of other borrowings		(0.56)	-
Net change in working capital demand loan		(84.66)	128.18
Interest paid		(33.89)	(47.05)
Proceeds from loan		-	136.35
Principal elements of lease payments		(34.61)	(29.06)
Net cash inflow / (outflow) from financing activities (C)		**(221.98)**	**5,159.82**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(374.63)**	**786.96**
Cash and cash equivalent at the beginning of the year		416.11	(370.13)
Effect of exchange differences on restatement of foreign currency cash and cash equivalents		3.95	(0.72)
Cash and cash equivalent at the end of the year		**45.43**	**416.11**

Cash and cash equivalents as per above comprises of following		**March 31, 2021**	**March 31, 2020**
- Cash on hand		0.08	3.42
Balance with banks			
- On current accounts		260.65	402.49
- Deposits with original maturity of less than 3 months		286.08	17.25
Cash and cash equivalents	9(a)	**546.81**	**423.16**
- Bank overdraft	12(a)	(501.38)	(7.05)
Total cash and cash equivalents		**45.43**	**416.11**

*Amount below rounding off norms adopted by the Group

For non-cash additions and deletions in Right-of-use-assets refer note 3(b).

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer

Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

Consolidated Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Consolidated Statement of Changes in Equity for the year ended March 31, 2021
(Amounts in INR Crores, unless otherwise stated)

a) Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of Shares	Amount
At April 1, 2019	**57,256,129**	**57.53**
Shares issued during the year#	2,803,511	2.77
Shares issued during the year - ESOP	128,015	0.13
At March 31, 2020*	**60,187,655**	**60.43**
Shares issued during the year#	29,979	0.01
Shares issued during the year - ESOP	42,379	0.04
At March 31, 2021*	**60,260,013**	**60.48**

* Net of treasury shares 222,391 (March 31, 2020: 247,370) at nil cost through employee welfare trust
# Shares issued during the year includes 24,979 (March 31, 2020: 30,367) shares issued out of treasury shares

b) Other equity

	Attributable to the equity shareholders of the parent								
Particulars	**Share application money pending allotment**	**Reserves and Surplus**			**Other reserves**		**Total**	**Non-controlling interests**	**Total Other Equity**
		Securities Premium	**Retained Earnings**	**ESOP Reserve**	**FVTOCI**	**FCTR#**			
As at April 1, 2019	**-**	**13,822.29**	**(8,387.77)**	**250.08**	**2.31**	**(5.76)**	**5,681.15**	**86.17**	**5,767.32**
Loss for the year	-	-	(2,842.17)	-	-	-	(2,842.17)	(100.19)	(2,942.36)
Other comprehensive income	-	-	(0.43)	-	0.20	(0.72)	(0.95)	(0.01)	(0.96)
Total comprehensive income/(loss)	**-**	**-**	**(2,842.60)**	**-**	**0.20**	**(0.72)**	**(2,843.12)**	**(100.20)**	**(2,943.32)**
Adjustment on forfeiture of ESOP	-	-	0.19	(0.19)	-	-	-	-	-
Adjustment on cancellation of unvested ESOP (refer note 25)	-	-	28.43	(28.43)	-	-	-	-	-
Amount transferred to securities premium on exercise of ESOPs	-	35.92	-	(35.92)	-	-	-	-	-
Share based payment expenses (refer note 25)	-	-	-	163.58	-	-	163.58	-	163.58
Share based payment reserve on account of joint ventures (refer note 25)	-	-	-	6.11	-	-	6.11	-	6.11
Share application money pending allotment	*	-	-	-	-	-	-	-	*
Amount received on issue of shares	-	5,051.15	-	-	-	-	5,051.15	-	5,051.15
Amount utilised for share issue expenses	-	(14.04)	-	-	-	-	(14.04)	-	(14.04)
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	-	0.54	-	(0.54)	-	-	-	-
As at March 31, 2020	*****	**18,895.32**	**(11,201.21)**	**355.23**	**1.97**	**(6.48)**	**8,044.83**	**(14.03)**	**8,030.80**
Loss for the year	-	-	(1,696.07)	-	-	-	(1,696.07)	(4.94)	(1,701.01)
Other comprehensive income	-	-	(1.69)	-	(5.31)	3.95	(3.05)	0.05	(3.00)
Total comprehensive income/(loss)	**-**	**-**	**(1,697.76)**	**-**	**(5.31)**	**3.95**	**(1,699.12)**	**(4.89)**	**(1,704.01)**
Adjustment on forfeiture of ESOP	-	-	20.63	(20.63)	-	-	-	-	-
Amount transferred to securities premium on exercise of ESOPs (refer note 10(b))	-	19.23	1.47	(21.94)	-	-	(1.24)	1.24	-
Share based payment expenses (refer note 25)	-	-	-	111.78	-	-	111.78	-	111.78
Share based payment reserve on account of joint ventures (refer note 25)	-	-	-	1.94	-	-	1.94	-	1.94
Share application money pending allotment	0.20	-	-	-	-	-	0.20	-	0.20
Amount received on issue of shares	-	10.67	-	-	-	-	10.67	-	10.67
Acquisition of Non-controlling interest	-	-	(5.36)	-	-	-	(5.36)	(0.91)	(6.27)
Other adjustments	-	-	10.62	-	-	-	10.62	-	10.62
As at March 31, 2021	**0.20**	**18,925.22**	**(12,871.61)**	**426.38**	**(3.34)**	**(2.53)**	**6,474.32**	**(18.59)**	**6,455.73**

*Amount below rounding off norms adopted by the Group
Foreign currency translation reserve

The above Consolidated Statement of Change in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer

Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021

1. Corporate information

These consolidated financial statements ("Consolidated Financial Statements") comprise the financial statements of One97 Communications Limited ("hereinafter referred to as the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate companies for the year ended March 31, 2021.

One97 Communications Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 ("the Act"). The registered office of the Holding Company is located at 1st Floor, Devika Tower, Nehru Place, New Delhi - 110019. The principal place of business of the Group is in India.

The Group is in the business of providing a) payment and financial services which primarily includes payment facilitator services, facilitation of consumer and merchant lending to consumers and merchants, wealth management etc. b) commerce and cloud services which primarily consists of aggregator for digital products, ticketing business, providing voice and messaging platforms to the telecom operators and enterprise customers and other businesses, etc.

These consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 28, 2021.

2. Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements ("Consolidated Financial Statements") of the Group have been prepared in accordance with Indian Accounting Standard ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policies on financial instruments and Share-based payments).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Group has applied the following amendments for the first time for year commencing from April 1, 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Ministry of Corporate Affairs ("MCA") through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013. These amendments are applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses significant additional disclosure requirements and also includes certain changes to the existing disclosures.
The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

All the amounts included in the consolidated financial statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest crores up to two decimal places, except per share data and unless stated otherwise.

Impact of COVID-19

Covid-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals.

The Group has considered the possible effects that may result from Covid-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Group has taken cognizance of internal and external information up to the date of approval of these consolidated financial statements. The Group based on current estimates expects the carrying amount of the above assets will be recovered.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the consolidated financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to the future economic conditions.

2.2 Business Combination and Goodwill

Business combinations (other than those under common control) are accounted for using the acquisition method under Ind AS 103. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- The assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19 Employee Benefits.

- Deferred tax assets and liabilities are recognized and measured in accordance with Ind AS 12 Income Taxes.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. The consideration transferred by the acquirer is recognized at fair value at the acquisition date. Deferred consideration is classified as a liability under Ind AS 109 and is measured at amortized cost.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.3 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has Control. The determination of control for the purpose of consolidation is done as per Ind AS 110. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b) Exposure, or rights, to variable returns from its involvement with the investee, and
c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights
d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in Fixed assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group measures non-controlling interests at their proportion of the fair value of the identifiable net assets.

2.4 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control.

The considerations made in determining whether significant influence is similar to those necessary to determine control over the subsidiaries

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of the associate or joint venture is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate or joint venture is shown on the face of the consolidated statement of profit and loss. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'exceptional items' in the consolidated statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of profit or loss.

2.5 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current / non-current classification.

An asset is classified 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 classified as 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 Group classifies all other liabilities as non-current.

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

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

b. Foreign currencies

Functional and presentation currency

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which it operates i.e. the "functional currency". The Group's financial statements are presented in INR, which is also the Holding Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or consolidated statement of profit and loss, are also recognised in OCI or consolidated statement of profit and loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their consolidated statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

c. Fair value measurement

The Group measures certain financial instruments (e.g. investments) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liabilities takes place either in the principal market for the asset or liability or in absence of principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Group provides incentives to its users in various forms including cashbacks. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where the Group acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. Typically, the Group has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Sale of services

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the balance sheet as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability.

Commission

The Group facilitates recharge of talk time, bill payments, availability of bus tickets and sale of deal coupons and earns commission for the respective services. Commission income is recognized when the control in services is transferred to the customer when the services have been provided by the Group.

Service fees from merchants

The Group earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Group i.e. as and when services have been provided by the Group. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Group pending settlement are disclosed as payable to the merchants under contract liabilities.

Other operating revenue

Where the Group is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognised as other operating revenue when there is a reasonable certainty that the Group will be able to realize the said amounts.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the consolidated statement of profit and loss.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside consolidated statement of profit and loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside consolidated statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax

Credit of MAT is recognised as deferred tax asset only when it is probable that taxable profit will be available against which the credit can be utilised. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated statement of profit and loss account. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Group will pay normal income tax during the specified period.

Taxes paid on acquisition of assets or on incurring expenses

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset.

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in statement of profit and loss.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non- current assets or other current liabilities in the consolidated balance sheet.

f. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the Consolidated Balance Sheet.
Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations or
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of profit and loss.

g. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a written down value basis to its residual value over its estimated useful life.

Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to consolidated statement of profit and loss during the reporting period in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under the non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work in progress'.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the written down value method and charged to consolidated statement of profit and loss as per the rates prescribed under schedule II of the Companies Act, 2013 except for technical evaluation done by the management's expert for plant and machinery, given below:

Assets	**Rate of Depreciation (per annum)**
Servers and networking equipment (Computers)	39.30%
Laptops and desktops (Computers)	63.16%
Office equipment	45.07%
Furniture and fittings	25.89%
Plant & Machinery	45.07% / 63.16%
Vehicles	31.23%

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

Separately acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the consolidated statement of profit and loss in the year in which the expenditure is incurred. Intangible assets with finite useful lives are carried at cost and are amortised on a written down value basis over their estimated useful lives and charged to consolidated statement of profit and loss.

Software and licenses acquired are amortized at the rate of 40% per annum on written down value method. Other intangibles i.e Customer relationship, right to use brand and non- compete right acquired in business combination are amortised over their useful life on straight line basis, which is taken to be 5 years.

The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of one to five years. Amortization is recognized in the consolidated statement of profit and loss. During the period of development, the asset is tested for impairment annually.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in the consolidated statement of profit and loss in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Impairment of non-financial assets

For all non-financial assets, the Group assesses whether there are indicators of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount for an asset or CGU is the higher of its value in use and fair value less costs of disposal. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount or CGU the asset is considered impaired and the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

In assessing value in use, the estimated future cash flows of the asset or CGU are discounted to their present value using a 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss.

k. Provisions and contingencies

Provisions

Provisions are recognised when the Group 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. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement. 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.

Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial Statements.

l. Retirement and other employee benefits

For defined benefit plans (gratuity), the liability or asset recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Group’s contributions to defined contribution plans (provident fund) are recognized in profit or loss when the employee renders related service. The Group has no further obligations under these plans beyond its periodic contributions.

The Group provides for liability at year end on account of un-availed earned leave as per actuarial valuation using projected unit credit method.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit payable under other financial liabilities in the consolidated balance sheet.

m. Share-based payments

i) Equity-settled transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii) Cash-settled transactions

For awards classified as cash settled share based transactions, the goods or services acquired are measured and the liability incurred, at the fair value of liability. Until the liability is settled, the fair value of the liability is re-measured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in consolidated statement of profit and loss for the period.

The cost of cash-settled transactions is determined by the fair value of equity instruments at each reporting date using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in liability, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The consolidated statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The Group has set up an Employee Welfare Trust (EWT) for administering certain types of share-based payment arrangements including awards given to employees of the outside group companies as well for awards of options of other companies given to its employees. The Group uses EWT as a vehicle for distributing shares under the ESOP schemes. The EWT holds shares of the Group, for giving shares to employees. The Group treats EWT as its extension and shares of the Group held by EWT are treated as treasury shares. Other assets held by EWT are consolidated on a line-by-line basis with Group's financial statements. Shares of other companies held by EWT for distribution to its employees are separately disclosed under investments.

n. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to consolidated statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

Equity investments in associates and joint ventures are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of non-financial assets is followed.

Derecognition

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

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenue. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss. This amount is reflected under the head other expenses in the consolidated statement of profit and loss. For the financial assets measured as at amortised cost ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

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

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

The Group's financial liabilities include borrowings, lease liabilities, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and office premises. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the consolidated balance sheet and lease payments have been classified as financing cash flows.

q. Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

r. Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other reserve.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions. Refer Note 34 for segment information presented.

t. Use of estimates

The Group is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Group bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgements about carrying values of assets and liabilities.

u. Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group. Such income or expense is classified as an exceptional item and accordingly disclosed in the consolidated financial statements. Significant impact on the financial statements arising from impairment of goodwill, impairment of investments in associates andgain/ loss on disposal of subsidiaries and associates (other than major lines of business that meet the definition of a discontinued operation) are considered and reported as exceptional items.

v. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(Amounts in INR crores, unless otherwise stated)

3(a). Property, plant and equipment

Particulars	Computers	Furniture and Fittings	Leasehold Improvements	Vehicles	Office Equipments	Plant & Machinery^	Leasehold Land#	Total
Gross carrying amount								
As at April 1, 2019	303.53	10.22	32.42	1.45	34.68	0.44	85.08	467.82
Additions	56.55	0.85	2.44	-	1.91	126.03	-	187.78
Foreign Currency Translation Reserve	0.32	0.03	0.22	-	0.01	-	-	0.58
Disposals	15.04	1.14	0.15	-	1.21	-	-	17.54
Adjustment for change in accounting policy (Refer note 2.5p)	-	-	-	-	-	-	(85.08)	(85.08)
As at March 31, 2020	**345.36**	**9.96**	**34.93**	**1.45**	**35.39**	**126.47**	**-**	**553.56**
As at April 1, 2020	345.36	9.96	34.93	1.45	35.39	126.47	-	553.56
Additions	35.97	0.58	9.25	0.78	4.55	135.85	-	186.98
Foreign Currency Translation Reserve	0.22	0.05	0.39	-	0.02	-	-	0.68
Disposals	7.61	3.62	19.88	1.14	9.01	0.16	-	41.42
As at March 31, 2021	**373.94**	**6.97**	**24.69**	**1.09**	**30.95**	**262.16**	**-**	**699.80**
Depreciation / amortization								
As at April 1, 2019	151.68	4.33	10.78	0.81	14.93	0.29	0.72	183.54
For the year	77.54	1.55	4.92	0.20	4.34	34.10	-	122.65
Foreign Currency Translation Reserve	0.22	0.01	0.04	-	*	-	-	0.27
Deletions	12.62	0.33	0.10	-	0.76	-	-	13.81
Adjustment for change in accounting policy (Refer note 2.5p)	-	-	-	-	-	-	(0.72)	(0.72)
As at March 31, 2020	**216.82**	**5.56**	**15.64**	**1.01**	**18.51**	**34.39**	**-**	**291.93**
As at April 1, 2020	216.82	5.56	15.64	1.01	18.51	34.39	-	291.93
For the year	59.73	0.95	12.88	0.19	4.19	67.85	-	145.79
Foreign Currency Translation Reserve	0.11	0.02	0.11	-	0.00	-	-	0.24
Deletions	5.80	2.57	20.40	0.87	7.66	0.06	-	37.36
As at March 31, 2021	**270.86**	**3.96**	**8.23**	**0.33**	**15.04**	**102.18**	**-**	**400.60**
Net carrying amount								
As at March 31, 2021	**103.08**	**3.01**	**16.46**	**0.76**	**15.91**	**159.98**	**-**	**299.20**
As at March 31, 2020	**128.54**	**4.40**	**19.29**	**0.44**	**16.88**	**92.08**	**-**	**261.63**

Notes:

(i) Capital work in progress

Capital work in progress mainly comprises of servers. Further, Capital work-in-progress includes expenditure of INR 4.13 (March 31, 2020: INR 4.19) relating to expenses incurred on construction.

(ii) Refer to note 29 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Pursuant to the adoption of Ind AS 116 w.e.f.April 1, 2019, leased assets are presented as separate line items in the balance sheet, see note 3(b).

^ Plant and machinery includes Gross carrying amount INR 183.13 (March 31, 2020: INR 84.10), Accumulated depreciation INR 78.01 (March 31, 2020: INR 22.55), Net carrying amount INR 105.12 (March 31, 2020: INR 61.55) of point-of-sale machines and sound boxes installed at customer premise.

*amount below rounding off norms adopted by the group.

(Amounts in INR crores, unless otherwise stated)

3 (b). Leases

This note provides information for leases where company is lessee

(i) Amounts recognised in Balance sheet

Particulars	March 31, 2021	March 31, 2020
Right-of-use assets		
Land	82.46	83.41
Office Premises	45.80	183.96
Total	**128.26**	**267.37**

Lease Liabilities

Current	24.40	37.20
Non-Current	42.65	182.24
Total	**67.05**	**219.44**

Additions to right-of-use assets during the current financial year are INR 29.55 (March 31, 2020 INR 14.63)

(ii) Amounts recognised in Statement of profit and loss

Particulars	Notes	March 31, 2021	March 31, 2020
Depreciation charge of Right-of-use assets			
Land		0.95	0.95
Office Premises#		25.12	33.73
Total	18	**26.07**	**34.68**

Particulars	Notes	March 31, 2021	March 31, 2020
Interest expense (included in finance cost)	17	12.31	21.79
Expense relating to short-term lease/low value assets (included in other expenses)	19	9.21	14.78

Out of above, INR 0.51 (March 31, 2020: INR 7.72) has been cross charged. Net depreciation charge of Right-of-use assets in profit & loss is INR 25.56 (March 31, 2020: INR 26.96).

During the year ended March 31, 2021, the Group has given notice to vacate certain office premises. This has been accounted as lease termination. Hence, in accordance with Ind AS 116, Lease Liability has been re-measured by INR 147.59 with corresponding adjustment to Right of Use assets amounting to INR 142.59 and the remaining balance has been recognized in the Statement of Profit and Loss.

The total cash outflow for leases for the year is INR 46.92 (March 31, 2020: INR 50.85)

Extension and termination options:
Extension and termination options are included in certain leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. In certain cases, the extension and termination options held are exercisable only by the Group and not by the respective lessor.

(Amounts in INR crores, unless otherwise stated)

4. Intangible assets

Particulars	Customer Relationship	Brand	Non-Compete	Software	Internally Generated Software	Total	Goodwill
Gross carrying amount							
As at April 1, 2019	25.11	44.77	3.89	45.46	10.18	129.41	413.19
Additions	-	-	-	7.33	-	7.33	-
Foreign Currency Translation Reserve	-	-	-	-	0.13	0.13	-
Disposals	-	-	-	-	-	-	0.24
As at March 31, 2020	**25.11**	**44.77**	**3.89**	**52.79**	**10.31**	**136.87**	**412.95**
As at April 1, 2020	25.11	44.77	3.89	52.79	10.31	136.87	412.95
Additions	-	-	-	6.48	-	6.48	-
Foreign Currency Translation Reserve	-	-	-	-	(0.04)	(0.04)	-
Disposals	-	-	-	-	-	-	-
As at March 31, 2021	**25.11**	**44.77**	**3.89**	**59.27**	**10.27**	**143.31**	**412.95**
Depreciation / amortization							
As at April 1, 2019	6.84	12.79	1.15	25.48	9.70	55.96	120.17
For the year	5.02	8.98	0.78	9.97	0.16	24.91	-
Impairment loss for the year	12.21	22.09	1.33	2.46	-	38.09	246.32
Foreign Currency Translation Reserve	-	-	-	*	0.12	0.12	-
Deletions	-	-	-	-	-	-	0.24
As at March 31, 2020	**24.07**	**43.86**	**3.26**	**37.91**	**9.98**	**119.08**	**366.25**
As at April 1, 2020	24.07	43.86	3.26	37.91	9.98	119.08	366.25
For the year	0.44	0.02	0.28	6.26	0.10	7.10	-
Impairment loss for the year	-	-	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	-	-	0.04	0.04	-
Deletions	-	-	-	-	-	-	-
As at March 31, 2021	**24.51**	**43.88**	**3.54**	**44.17**	**10.12**	**126.22**	**366.25**
Net carrying amount							
As at March 31, 2021	**0.60**	**0.89**	**0.35**	**15.10**	**0.15**	**17.09**	**46.70**
As at March 31, 2020	**1.04**	**0.91**	**0.63**	**14.88**	**0.33**	**17.79**	**46.70**

*amount below rounding off norms adopted by the group.

(Amounts in INR Crores, unless otherwise stated)

5. Investment in joint ventures and associates

5 (a) Investment in joint ventures - Non Current

	As at March 31, 2021	As at March 31, 2020
Unquoted equity shares (Fully paid up)		
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) (refer note 24) 68,233,850 (March 31, 2020 : 68,233,850) equity shares of INR 10 each	-	76.22
	-	76.22

5 (b) Investment in associates - Non Current

	As at March 31, 2021	As at March 31, 2020
Unquoted equity shares (Fully paid up)		
Paytm Payments Bank Limited 195,904,900 (March 31, 2020 : 195,904,900) equity shares of INR 10 each	200.63	191.42
Paytm General Insurance Corporation Ltd 980,000 (March 31, 2020 : 490,000) equity shares of INR 10 each	-	-
Paytm Life Insurance Corporation Limited 49,000 (March 31, 2020 : 49,000) equity shares of INR 10 each	0.04	0.04
Paytm Financial Services Limited (refer note (iii) below) 2,000,000 (March 31, 2020 : Nil) equity shares of face value of INR 10 each	1.94	-
Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) (refer note (iii) below) 2,560,938 (March 31, 2020 : Nil) equity shares of face value of INR 10 each	-	-
Eatgood Technologies Private Limited (refer note (ii) below) 2,879 (March 31, 2020 : 2,879) equity shares of INR 10 each	-	1.87
Total (A)	**202.61**	**193.33**
Unquoted compulsorily convertible preference shares (Fully paid up)		
Loginext Solutions Private Limited (refer note (i) below) Nil (March 31, 2020 : 279,443) Compulsorily Convertible Preference share of face value of INR 10 each	-	-
Socomo Technologies Private Limited (refer note (ii) below) 28,800 (March 31, 2020 : 28,800) Compulsorily Convertible Preference share of face value of INR 1 each	-	-
Infinity Transoft Solutions Private Limited 3,618 (March 31, 2020 : 3,618) Compulsorily Convertible Preference share of face value of INR 10 each	8.63	9.64
Eatgood Technologies Private Limited (refer note (ii) below) 72,373 (March 31, 2020 : 61,680) Compulsorily Convertible Preference share of face value of INR 100 each	20.43	43.86
Total (B)	**29.06**	**53.50**
Grand Total [A+B]	**231.67**	**246.83**
Aggregate amount of unquoted investments	**231.67**	**246.83**
Aggregate amount of impairment in the value of investment	**72.79**	**79.80**

(i) During the current year, the company ceased to have significant influence over the entity and the interest held in the entity is recognised at fair value and is disclosed under note 7(b). During previous year, the investment is net of provision for impairment amounting to INR 37.01.
(ii) Net of provision for impairment amounting to INR 42.79 (March 31, 2020 : 42.79) and INR 30.00 (March 31, 2020 : Nil) for Socomo Technologies Private Limited and Eatgood Technologies Private Limited, respectively.
(iii) Converted to investment in associate during the year ended March 31, 2021 and recognised at fair value on date of loss of control.

6 (a). Investments

	As at March 31, 2021	As at March 31, 2020
Investments at fair value through profit and loss		
Mutual Funds (Quoted) - Current		
Aditya Birla Sun life Mutual Fund Nil units (March 31, 2020: 94,919 units)	-	3.03
Aditya Birla Sun life Liquid Fund - Growth - Direct Plan Nil (March 31, 2020 :7,982,579 units)	-	255.09
Axis Liquid Fund- Direct Growth Nil units (March 31, 2020: 1,163,693 units)	-	262.46
Axis Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 11,161 units)	-	2.46
DSP Liquidity Fund-Direct Plan-Growth Nil units (March 31, 2020: 896,425 units)	-	254.65
HDFC Liquid Fund-Direct Plan-Growth Option Nil units (March 31, 2020: 12,906 units)	-	5.04
ICICI Prudential Liquid Fund - Direct Plan - Growth Nil units (March 31, 2020: 3,491,962 units)	-	102.59

(Amounts in INR Crores, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
ICICI Prudential Liquid - Direct Plan - Growth (refer note (i) below) Nil (March 31, 2020: 5,139,147 units)	-	150.98
ICICI Prudential MF-Floating Int Fund Nil Units (March 31, 2020: 4,218 units)	-	0.13
IDFC Cash Fund Direct Plan - Growth Nil (March 31, 2020: 1,010,455 units)	-	242.69
Nippon India Liquid Fund - Direct Plan Growth Plan Nil units (March 31, 2020: 458,378 units)	-	222.35
Kotak Liquid Fund Direct Plan Growth Nil units (March 31, 2020: 618,403 units)	-	248.28
SBI Liquid Fund- Direct - Growth (Formerly SBI Premier Liquid Fund) Nil (March 31, 2020: 798,613 units)	-	248.29
SBI Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 7,600 units)	-	2.36
UTI Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 11,897 units)	-	3.87
UTI- Liquid -Cash Plan-Growth Direct Nil (March 31, 2020: 683,599 units)	-	222.27
Total (A)	**-**	**2,226.54**

	Non-Current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments at amortised cost				
Debt instruments (quoted)				
LIC Housing Finance Limited 8.75% 21 Dec 2020 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,018,877 each	-	-	-	50.94
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,000,000 each	-	50.00	50.00	0.26
Kotak Mahindra Prime Ltd 7.50% NCD 10 Nov 2020 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,006,960 each	-	-	-	25.72
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,009,252 each	-	-	-	26.38
HDFC Series W-001 7.15% 16 Sep 2021 250 (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,003,676 each	-	25.09	25.09	0.65
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 999,978 each	-	50.00	50.00	0.30
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 2,000) Redeemable Non Convertible Debentures of INR 1,009,226 each	-	-	-	211.10
Kotak Mahindra Investments Ltd 0% 28 Oct 2021 250 (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 883,748 each	-	22.09	22.09	-
LIC Housing Finance Limited 8.80% 24 Dec 2020 Nil (March 31, 2020 : 1,000) Redeemable Non Convertible Debentures of INR 1,018,617 each	-	-	-	102.85
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,020,747 each	-	-	-	51.04
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,020,528 each	-	-	-	51.03
Kotak Mahindra Prime Ltd 0% 9 Sep 2020 Nil (March 31, 2020 : 1,000) Redeemable Non Convertible Debentures of INR 967,368 each	-	-	-	96.74
HDFC Series U-008 8.70% 15 Dec 2020 Nil (March 31, 2020 : 500) Redeemable Non Convertible Debentures of INR 1,017,216 each	-	-	-	51.37
Bajaj Finance Limited Secured 7.2525% 10 Nov 2020 Nil (March 31, 2020 : 1,500) Redeemable Non Convertible Debentures of INR 1,004,575 each	-	-	-	154.04
HDFC Series U-010 8.62% 15 Oct 2020 Nil (March 31, 2020 : 1,100) Redeemable Non Convertible Debentures of INR 1,012,261 each	-	-	-	115.00
LIC Housing Finance Limited 8.75 % NCD 8 Mar 2021 Nil (March 31, 2020 : 250) Redeemable Non Convertible Debentures of INR 1,020,750 each	-	-	-	25.49
Total (B)	**-**	**147.18**	**147.18**	**962.91**
Total investments [A+B]	**-**	**147.18**	**147.18**	**3,189.45**

(Amounts in INR Crores, unless otherwise stated)

6 (b). Investments - Non Current	As at March 31, 2021	As at March 31, 2020
Investments at fair value through OCI (refer note (ii) below)		
Unquoted equity shares (Fully paid up)		
Ciqual Limited (refer note (iii) and (iv) below) Nil (March 31, 2020: 29,43,276) equity shares of GBP 0.01 each	-	-
ZEPO Technologies Private Limited 3,458 (March 31, 2020 : 3,458) Equity shares of face value INR 10 each	2.28	2.28
Red Pixels Ventures Limited 1,093 (March 31, 2020 : 1,093) Equity shares of face value INR 10 each	0.37	0.37
Plivo Inc. (refer note (iii) below) 793,696 (March 31, 2020 : 793,696) common stock of USD 1 each.	-	4.90
Software Is Correct INC (refer note (iii) below) 50,000 (March 31, 2020 : 50,000) common stock of USD 1 each	-	-
Stock acquisition rights (PayPay Corporation)	22.14	-
Total (A)	**24.79**	**7.55**
Investments at fair value through Profit and loss		
Unquoted Compulsorily Convertible Preference shares (Fully paid up)		
Raining Clouds Tech Private Limited (refer note (iii) below) 3,620 (March 31, 2020 : 3,620) Redeemable Convertible Preference Shares of INR 10 each	-	-
Busy Bees Logistics Solution Private Limited (refer note (v) below) Nil (March 31, 2020 : 18,121) Compulsorily Convertible Preference share of face value of INR 10 each	-	59.25
Avenues Payments India Private Limited (refer note (iii) below) 11,379 (March 31, 2020 : 11,379) Compulsorily Convertible Preference share of face value of INR 100 each	-	-
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 289) Compulsorily Convertible Preference share of face value INR 100 each	-	0.42
Loginext Solutions Private Limited (refer note (iii) and (vi) below) 279,443 (March 31, 2020 : Nil) Compulsorily Convertible Preference share of face value of INR 10 each	-	-
Rooter Sports Technologies Private Limited, 1,160 (March 31, 2020 : Nil) Compulsorily Convertible Preference share of face value INR 10 each	4.00	-
	4.00	**59.67**
Unquoted equity shares (Fully paid up)		
Paytm E-commerce Private Limited 4,837 (March 31, 2020 : 2,105) Equity shares of face value INR 10 each held by Employee Welfare Trust	5.34	10.08
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 1,277) equity shares of INR 10 each	-	3.12
	5.34	**13.20**
Total (B)	**9.34**	**72.87**
Total Non Current investments [A+B]	**34.13**	**80.42**
Total Current Investments	147.18	3,189.45
Total Non-Current Investments	34.13	227.60
	181.31	**3,417.05**
Aggregate book value of unquoted investments	**34.13**	**80.42**
Aggregate book value of quoted investments	**147.18**	**3,336.63**
Aggregate market value of quoted investments	**147.18**	**3,336.63**

Notes to 6 (a) and 6 (b) above

(i) As on March 31, 2020, ICICI Prudential Liquid - Direct Plan - Growth was marked under lien by banks for bank overdraft, working capital demand loan and term loan amounting to INR 140. No such lien exist on March 31, 2021.

(ii) Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note 31 for determination of their fair values.
(iii) The Company holds these investments, however the fair value is Nil.
(iv) The company has been dissolved during the current year.
(v) Investment disposed off during the year.
(vi) During the current year, the company ceased to have significant influence over the entity and the interest held in the entity has been recognised at fair value.

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(Amounts in INR Crores, unless otherwise stated)

6 (c). Loans

	Non-Current		Current	
	As at		As At	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Inter Corporate Loans#				
with related parties (refer note 26)	-	-	127.89	-
Others	-	-	55.54	24.16
Less: Loss allowance for inter corporate loans	-	-	(22.29)	-
Security deposits	125.87	155.65	95.38	46.08
Less: Loss allowance for security deposits	(0.11)	(0.11)	(0.12)	-
	125.76	**155.54**	**256.40**	**70.24**

Break-up of security details

	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Secured, considered good	-	-	-	-
Unsecured, considered good	125.76	155.54	256.40	70.24
Loans which have significant increase in credit risk	0.11	0.11	22.41	-
Loans Credit Impaired	-	-	-	-
	125.87	**155.65**	**278.81**	**70.24**
Less: Loss allowance	(0.11)	(0.11)	(22.41)	-
Total Loans	**125.76**	**155.54**	**256.40**	**70.24**

As on March 31, 2021, the inter corporate loans are given after complying with the provisions of section 186 of the Companies Act, 2013. The loans have been given in accordance with terms and conditions of the underlying agreements. Outstanding loans carry interest rate in the range of 9% to 12%. As on March 31, 2020, the inter corporate loans are are given after complying with the provisions of section 186 of the Companies Act, 2013. The loans have been given in accordance with terms and conditions of the underlying agreements. Outstanding loans carry interest rate in the range of 9% to 10%.

6 (d). Other financial assets

		Non-current		Current	
		As at		As at	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Bank balances					
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 9(a))		250.58	1,351.72	-	-
Others					
Loan to employees		-	-	0.06	-
Other advances recoverable in cash		-	-	24.15	10.20
Accrued Interest on Debt Instruments measured at amortised cost		-	-	4.63	8.08
Interest accrued but not due on fixed deposits		10.72	22.25	138.19	4.06
Interest accrued on security deposit		-	-	8.70	-
Other receivable from other parties (Refer note 38)		-	585.19	625.13	-
Unbilled revenue		-	-	146.46	197.83
Unbilled revenue - related parties (Refer note 26)		-	-	11.34	14.55
Less: Loss allowance for unbilled revenue		-	-	(25.79)	(20.08)
	A	**261.30**	**1,959.16**	**932.87**	**214.64**
Amount recoverable from Payment Gateway banks*					
Unsecured, considered good					
Amount recoverable from other parties		-	-	505.46	261.66
Amount recoverable from related parties (Refer note 26)		-	-	854.57	286.39
Unsecured, considered doubtful					
Amount recoverable from other parties		-	-	2.10	3.04
		-	-	1,362.13	551.09
Less : Loss allowance		-	-	(2.10)	(3.04)
	B	**-**	**-**	**1,360.03**	**548.05**
Unsecured, considered good					
Amount recoverable from related parties (Refer note 26)#		-	12.83	62.55	128.43
Amount recoverable from other parties (Refer note 38)		-	-	19.86	129.57
	C	**-**	**12.83**	**82.41**	**258.00**
Total [A+B+C]		**261.30**	**1,971.99**	**2,375.31**	**1,020.69**

#The Group has off-set the payable of INR 211.11 (March 31, 2020: INR 141.54) with the advance of INR 227.79 (March 31, 2020: INR 226) as the Group has contractual right to offset the payable with the advance and also has the intention to settle the same on a net basis.
* The amount represent recoverable from payment gateway banks on account of credit card/debit card and net banking transactions related to third party merchants.

Break up of financial assets carried at amortised cost

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Trade receivables (refer note 7)	-	-	339.26	300.95
Cash and cash equivalents (refer note 9(a))	-	-	546.81	423.16
Bank balances other than cash and cash equivalents (refer note 9(b))	-	-	2,329.62	116.98
Security deposits (refer note 6(c))	125.76	155.54	95.26	46.08
Inter corporate loans (refer note 6(c))	-	-	161.14	24.16
Others (refer note 6 (d))	261.30	1,386.80	1,750.18	1,020.69
Investments (refer note6 (a))	-	147.18	147.18	962.91
	387.06	**1,689.52**	**5,369.45**	**2,894.93**

Break up of financial assets carried at fair value

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investments at fair value through OCI (Refer note 6(b))	24.79	7.55	-	-
Investments at fair value through Profit and loss (Refer note 6(a) & 6(b))	9.34	72.87	-	2,226.54
Receivable at FVTPL (Rerfer Note 6(d))	-	585.19	625.13	-
	34.13	**665.61**	**625.13**	**2,226.54**

(Amounts in INR Crores, unless otherwise stated)

7. Trade receivables

	As at March 31, 2021	As at March 31, 2020
Trade Receivables	437.47	393.47
Receivables from related parties (Refer notes (i) & (ii) below)	25.25	4.06
Receivables from other parties (Refer notes 38)	7.72	19.32
Less: Loss allowance	(131.18)	(115.90)
	339.26	**300.95**
Current	339.26	300.95
Non-current	-	-

Break-up of security details	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	399.87	344.99
Trade receivable which have significant increase in credit risk	-	-
Trade receivable Credit Impaired	70.57	71.86
	470.44	**416.85**
Impairment allowance on trade receivables		
Less: Loss allowance	(131.18)	(115.90)
Total Trade receivables	**339.26**	**300.95**

(i) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 26.

(ii) For related party receivables, refer note 26

(iii) Trade receivables are non-interest bearing and carry a credit period of upto 90 days.

8. Other assets

		Non-current		Current	
		As at		As at	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Capital advances					
Unsecured, considered good		17.86	5.27	-	-
Doubtful		0.08	0.08	-	-
		17.94	5.35	-	-
Less Provision for doubtful advances		(0.08)	(0.08)	-	-
	A	**17.86**	**5.27**	**-**	**-**
Advances other than capital advances					
Advances to vendors					
Unsecured, considered good		177.61	20.27	484.99	592.31
Doubtful		-	-	13.98	12.12
		177.61	20.27	498.97	604.43
Less Provision for doubtful advances		-	-	(13.98)	(12.12)
	B	**177.61**	**20.27**	**484.99**	**592.31**
Others					
Balances with government authorities					
Goods and services tax input credit		62.74	27.55	562.33	506.76
Value Added Tax (VAT) credit receivable		-	-	0.48	0.54
Advance tax [net of provision]		-	-	0.44	0.01
Prepayments		20.42	31.14	76.84	64.45
Advances to related parties* (refer note 26)		-	-	280.21	150.11
	C	**83.16**	**58.69**	**920.30**	**721.87**
Total (A+B+C)		**278.63**	**84.23**	**1,405.29**	**1,314.18**

*No advances are recoverable from directors or other officers of the Company either severally or jointly with any other person. Nor any advance are recoverable from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 26.

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(Amounts in INR Crores, unless otherwise stated)

9(a). Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Cash and cheque on hand	0.08	3.42
Balance with banks		
- On current accounts	260.65	402.49
- Deposits with original maturity for less than 3 months	286.08	17.25
	546.81	**423.16**

Notes :

(a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(b) Fixed deposits amounting to INR 1,012.10 (March 31, 2020: 78.13) included in note 6(d) and 9(b) are marked under lien by banks for providing bank overdraft, working capital demand loan and issuing bank guarantees under various contract.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2021	As at March 31, 2020
Cash on hand	0.08	3.42
Balance with banks		
- On current accounts	260.65	402.49
- Deposits with original maturity of less than 3 months	286.08	17.25
	546.81	**423.16**
Other bank balances		
Bank overdraft*	(501.38)	(7.05)
	(501.38)	**(7.05)**
Cash and cash equivalents for the purpose of cash flow statement	**45.43**	**416.11**

*Bank borrowings are generally considered to be financing activities. However, bank overdrafts which are repayable on demand and form an integral part of an entity's cash management are included as a component of cash and cash equivalents.

9(b). Bank balances other than cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than 3 months but less than 12 months (Refer footnote (b) to note 9(a))	606.50	31.67
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 9(a))	1,723.12	85.31
	2,329.62	**116.98**

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(Amounts in INR Crores, unless otherwise stated)

10. Share capital and other equity

10 (a). Share Capital

	Number of Shares	Amount
Authorised equity share capital		
As at April 01, 2019	104,106,600	104.11
Increase/ (decrease) during the year	-	-
As at March 31, 2020	**104,106,600**	**104.11**
Increase/ (decrease) during the year	-	-
As at March 31, 2021	**104,106,600**	**104.11**

Terms/ rights attached to equity shares
All the equity shares issued to investors and other shareholders shall rank pari passu and have a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held only.

Issued, subscribed and fully paid up shares	**As at March 31, 2021**	**As at March 31, 2020**
60,482,404 (March 31, 2020 : 60,435,025) equity shares of INR 10 each fully paid up	60.48	60.43
Total issued, subscribed and fully paid-up share capital	**60.48**	**60.43**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	**March 31, 2021 Number**	**March 31, 2021 Amount**	**March 31, 2020 Number**	**March 31, 2020 Amount**
Shares outstanding at the beginning of the year*	60,187,655	60.43	57,256,129	57.53
Shares issued during the year#	29,979	0.01	2,803,511	2.77
Shares issued during the year - ESOP	42,379	0.04	128,015	0.13
Shares outstanding at the end of the year*	**60,260,013**	**60.48**	**60,187,655**	**60.43**

* Net of treasury shares 222,391 (March 31, 2020: 247,370) at nil cost through employee welfare trust (refer note 2.5(m))
# Shares issued during the year includes 24,979 (March 31, 2020: 30,367) shares issued out of treasury shares

b. Details of shareholders holding more than 5% shares in the Company

Name of shareholder	**March 31, 2021**		**March 31, 2020**	
	Number of Shares held	**% holding**	**Number of Shares held**	**% holding**
Antfin (Netherlands) Holding B.V.	18,330,122	30.31%	18,330,122	30.33%
SVF India Holding (Cayman) Limited	11,326,223	18.73%	11,326,223	18.74%
Mr.Vijay Shekhar Sharma	9,051,624	14.97%	9,051,624	14.98%
SAIF III Mauritius Company Limited	7,491,061	12.39%	7,491,061	12.40%
Alibaba.com Singapore E-Commerce Private Limited	4,428,214	7.32%	4,428,214	7.33%
SAIF Partners India IV Limited	3,180,202	5.26%	3,180,202	5.26%

c. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options plan (ESOP) of the Company (refer note 25).

d. Aggregate number of bonus shares issued, shares bought back and share issued for consideration other than cash during the period of five years immediately preceding the reporting date:

The Holding Company has not issued any shares for consideration other than cash during the current year (March 31, 2020: Nil shares, March 31, 2019: 333,035 shares issued for consideration other than cash; March 31, 2018: Nil shares; March 31, 2017: Nil shares; March 31, 2016: Nil shares). The Holding Company has not issued bonus shares and has not bought back shares during the period of five years immediately preceding the reporting date.

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(Amounts in INR Crores, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
10 (b). Other equity		
1. Reserve and Surplus		
Securities premium	18,925.22	18,895.32
Employee stock options outstanding account (ESOP Reserve)	426.38	355.23
Retained earnings	(12,871.61)	(11,201.21)
Total reserve and surplus (A)	**6,479.99**	**8,049.34**
1. Reserve and Surplus		
(i) Securities premium		
Opening balance	18,895.32	13,822.29
Add: transferred from ESOP Reserve on exercise of stock options	19.23	35.92
Add: amount received on issue of shares	10.67	5,051.15
Less: amount utilized for share issue expenses	-	(14.04)
Balance at the end of the year	**18,925.22**	**18,895.32**
(ii) Employee stock options outstanding account (ESOP Reserve)		
Opening balance	355.23	250.08
Add: share based payment expense (refer note 25)	111.78	163.58
Add: share based payment reserve on account of joint venture	1.94	6.11
Less: adjustment on cancellation of unvested stock options (refer note 25)	-	(28.43)
Less: amount transferred to securities premium on exercise of stock options (including for subsidiary amounting to INR 2.71)	(21.94)	(35.92)
Less: reversal on forfeiture of stock options	(20.63)	(0.19)
Balance at the end of the year	**426.38**	**355.23**
(iii) Retained earnings		
Opening balance	(11,201.21)	(8,387.77)
Loss for the year	(1,696.07)	(2,842.17)
Less: acquisition of Non-controlling interest (refer note 37)	(5.36)	-
Add: adjustment on cancellation of unvested ESOP (refer note 25)	-	28.43
Add: amount transferred from ESOP reserve on exercise of options of subsidiary companies	1.47	-
Less: remeasurement of post-employee benefit obligation	(1.69)	(0.43)
Add: transfer from employee stock options outstanding	20.63	0.19
Add: transfer from FVTOCI to retained earning on account of derecognition of assets	-	0.54
Add: other adjustments#	10.62	-
Balance at the end of the year	**(12,871.61)**	**(11,201.21)**
2. Share application money pending allotment		
Opening balance	*	-
Receipt of share application money	0.20	*
Balance at the end of the year (B)	**0.20**	*****
3. Other reserves- FVTOCI		
Opening balance	1.97	2.31
Net change in fair value of equity instruments at FVTOCI	(5.31)	0.20
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	(0.54)
Balance at the end of the year (C)	**(3.34)**	**1.97**
4. Other reserves- FCTR		
Opening balance	(6.48)	(5.76)
Net change during the year	3.95	(0.72)
Balance at the end of the year (D)	**(2.53)**	**(6.48)**
Total other equity	**6,474.31**	**8,044.83**

*Amount below rounding off norms adopted by the Group
Adjustment on settlement of incentive liability through employee welfare trust

Nature and purpose of reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Employee stock options outstanding account (ESOP Reserve)

Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under the One 97 Employee Stock Option Plan.

(iii) FVTOCI Reserve

The Holding Company has elected to recognise changes in the fair values of the certain investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity. The Holding Company transfers amounts from this reserve to retained earning when relevant equity securities are derecognised.

(iv) FCTR Reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

11. Provisions

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for employee benefits				
Provision for gratuity (refer note 27)	23.66	20.33	0.66	0.60
Provision for leave benefits*	-	-	40.95	51.94
Other provisions				
Provision for income tax	-	-	0.85	2.41
Other provisions	1.03	-	0.52	0.83
	24.69	**20.33**	**42.98**	**55.78**

*The entire amount of the provision of INR 40.95 (March 31, 2020: INR 51.94) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The amount not expected to be settled within next twelve months is INR 31.57 (March 31, 2020: INR 35.81).

(Amounts in INR Crores, unless otherwise stated)

12 (a) Borrowings

	Non-current		Current	
	As at		As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Secured				
Loan repayable on demand- bank overdraft (refer note (i) below)	-	-	501.38	7.05
Working capital demand loan (refer note (ii) below)	-	-	43.52	128.18
Term loan (refer note (iii) below)	-	-	-	72.91
	-	**-**	**544.90**	**208.14**
Unsecured				
Other borrowings	-	0.56	-	-
	-	**0.56**	**-**	**-**
Total borrowings	**-**	**0.56**	**544.90**	**208.14**
Less: Current maturities (Refer note 12(c))	-	0.56	-	-
Total borrowings (as per Balance Sheet)	**-**	**-**	**544.90**	**208.14**

Note:

(i) Fixed Deposits backed Overdraft working capital limits (borrowing in INR) carry interest in the range of 4.2% p.a. to 6.3% p.a.. The security for the same is in the form of lien on fixed deposits amounting to INR 517 Cr.
In respect of one of subsidiaries, as on March 31, 2020, Bank Overdraft carried interest rate of 7.55% p.a and the same was earmarked against the Fixed Deposit with the bank. In respect of another subsidiary, Bank Overdraft carries a interest rate of 12.50% p.a (March 31, 2020: 12.50%) and the same is secured against tangible/ intangible assets and movable/ immovable assets and personal guarantee of directors.

(ii) Working capital demand loan (borrowing in INR) carry interest at I-MCLR and "spread" per annum. As on the reporting date, the MCLR is 7.25% p.a. (March 31, 2020: 7.95%) and spread is 1% p.a. (March 31, 2020: 1%). As on March 31, 2021, this is secured by way of hypothecation on the entire current assets (excluding Mutual Funds, FD & Bonds), lien on Fixed Deposits INR 140 Cr and backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director. As on March 31, 2020, was secured by way of hypothecation on the entire current assets, lien on mutual funds INR 140 Cr and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

(iii) As on March 31, 2020, Term Loan (in INR) was in respect of point of sale (POS) machines. Principal amount of each tranche was repayable on a monthly basis in 11 equal monthly installments, with first installment starting from the subsequent month of respective tranche disbursement and each tranche i.e trance -1, tranche-2 and tranche-3 carried different I-MCLR rate i.e. 8.55%, 8.35% and 8.25% respectively but with same spread i.e 1.2%. Term loan was secured by way of hypothecation on the entire current assets, pledge on mutual funds INR 140 and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

Changes in liabilities arising from financing activities	March 31, 2021		March 31, 2020	
	Lease Liabilities	Borrowings	Lease Liabilities	Borrowings*
Opening debt	219.44	208.70	234.05	696.16
Non cash adjustments#	(117.78)	-	14.45	-
Cash flows	(34.61)	336.20	(29.06)	(487.46)
Interest expense	12.31	21.58	21.79	25.25
Interest paid	(12.31)	(21.58)	(21.79)	(25.25)
Closing debt	**67.05**	**544.90**	**219.44**	**208.70**

*includes INR Nil (March 31, 2020: 0.56) classified as current maturities of other borrowings under other financial liabilities.
#includes termination of leases

	As at March 31, 2021 (INR)	As at March 31, 2020 (INR)
12 (b) Trade payables		
Current		
Trade payables#	538.44	522.02
Trade payables to related parties (Refer note 26)	46.59	89.57
Trade payables to other parties (Refer note 38)	20.19	-
	605.22	**611.59**
# refer note 30 for MSMED disclosure.		
(i) Total Outstanding dues of micro and small enterprises	5.56	11.39
(ii) Total Outstanding dues other than (i) above	599.66	600.20
	605.22	**611.59**
12 (c) Other financial liabilities		
Current		
Payable to merchants*	52.67	30.01
Current maturities of other borrowings (Refer note 12(a))	-	0.56
Payable on purchase of fixed assets	21.74	0.87
Employee benefits payable	136.88	118.26
Other amount received from customers	201.62	60.31
Other amount received from customers- related parties (Refer note 26)	0.02	-
Others	88.31	16.67
Others- related parties (Refer note 26)	8.25	-
Others- Other parties (Refer note 38)	5.79	7.15
	515.28	**233.83**

*The Holding Company uses a Nodal Account to receive money through debit/credit card and net banking transactions towards all transactions happening on its portal, as well as to settle the respective merchants. The amounts collected but yet to be transferred to merchants are netted off with nodal account having balance of INR 845.53 (March 31, 2020: INR 427.27). Gross payable to merchant includes payable to related parties (refer note 26) INR 72.23 (March 2020: INR 13.21).

Terms and conditions of the above financial liabilities:
(i) Trade and other payables are non-interest bearing and carry credit period of upto 60 days.

Note: All financial liabilities are carried at amortized cost

(Amounts in INR Crores, unless otherwise stated)

13 (a). Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Other payable - related parties (refer note 26)	8.12	7.95
Statutory dues payable:		
Tax deducted at source payable	52.56	28.26
GST Payable	185.25	150.50
Tax collected at source payable	6.79	6.86
Provident fund payable	5.81	2.23
Other statutory dues	5.82	5.55
	264.35	**201.35**

13(b). Contract liabilities

	Non-current As at		Current As at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Contract liabilities	411.91	342.25	158.13	318.06
	411.91	**342.25**	**158.13**	**318.06**

(i) For related party and other party balances, refer note 26 and 38, respectively.

Revenue recognized in relation to carried forward contract liabilities

	March 31, 2021	March 31, 2020
Contract liabilities recognized as revenue during the year	111.70	338.21
	111.70	**338.21**

(Amounts in INR Crores, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020
14. Revenue from operations		
Revenue from contracts with customers		
Sale of services	2,802.41	3,025.58
Other operating revenue		
Recovery of marketing expense	-	255.26
	2,802.41	**3,280.84**
i) Disaggregated details of revenue:		
Payment and financial services	2,109.16	1,906.79
Commerce and cloud services	693.25	1,118.79
	2,802.41	**3,025.58**

15. Other income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income		
-on bank deposits	166.01	35.01
-Interest on Income tax refund	25.13	8.71
-Interest on Inter corporate loans - measured at amortized cost	2.26	14.20
-Interest Income on unwinding of discount - financial assets measured at amortized cost	21.77	33.44
-Interest Income on debentures -measured at amortized cost	45.88	10.13
-Interest income on security deposit	8.70	-
Fair value gain on financial instruments measured at FVTPL (net)	89.92	135.33
Profit on sale of property, plant and equipment (net)	1.83	1.19
Liabilities / Provision no longer required written back	3.04	5.12
Exchange differences (net)	-	4.80
Miscellanous Income	19.85	12.00
	384.39	**259.93**

16. Employee benefits expense

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, bonus and incentives	1,030.42	887.64
Contribution to provident and other funds	29.02	17.78
Share based payment expenses (refer Note 25)	112.54	166.06
Leave encashment expense	(1.85)	23.57
Gratuity expenses (refer Note 27)	10.58	8.22
Staff welfare expenses	4.19	16.03
	1,184.90	**1,119.30**

17. Finance costs

	Year ended March 31, 2021	Year ended March 31, 2020
Interest		
- Interest and finance charges on lease liabilities	12.31	21.79
- on borrowings at amortised cost	21.58	25.25
- Interest on late deposit on statutory dues	0.09	0.03
- on others	0.85	1.45
	34.83	**48.52**

18. Depreciation and amortization expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of property, plant and equipment	145.79	122.65
Depreciation on right-of-use-assets*	25.56	26.96
Amortisation of intangible assets	7.10	24.91
	178.45	**174.52**

*This amount is net of cross charge of INR 0.51 (March 31, 2020: INR 7.72) (refer note 3(b)).

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(Amounts in INR Crores, unless otherwise stated)

19. Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Connectivity and content fees	181.95	156.06
Legal and professional fees	78.32	76.84
Subcontract expenses	69.24	221.80
Contest, ticketing and fast tags expenses	68.08	122.06
Logistic, deployment & collection cost	37.37	15.25
Provision for advances	1.86	6.50
Loss allowance for financial assets	42.80	31.96
Trade receivables/advance written off	6.69	1.82
Repair and maintenance	19.80	31.15
Insurance	11.90	7.27
Rent (Refer Note 29)	9.21	14.78
Communication costs	7.62	8.17
Rates and taxes	7.84	6.12
Travelling and conveyance	5.57	41.27
Exchange differences (net)	3.61	-
Payment to auditor (Refer details below)	3.54	2.94
Bank Charges	2.95	5.11
Goods and services tax expense off	1.09	2.06
Corporate Social Responsibility (CSR) expenditure (Refer note 42)	0.43	0.83
Property, plant and equipment and intangible assets written off	0.32	0.20
Miscellaneous expenses	25.48	20.46
	585.67	**772.65**

Payment to Auditors*		
As auditors		
-Audit fee	2.13	2.10
-Tax audit fee	0.10	0.08
-Limited Review	0.98	0.54
In other capacity		
-Other Services (Certification fees)	0.27	0.17
-Reimbursement of expenses	0.06	0.04
	3.54	**2.94**

*Includes payment to auditors of subsidiaries.

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20. Exceptional items	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Gain / (Loss) on sale of investment in associates and subsidiaries (refer note (c), (d) and (e) below)	1.85	(10.29)
Provision for impairment of investments in associates (refer notes (a) below)	(30.00)	(9.96)
Impairment of Goodwill and intangible assets (refer note (b) below and note 36)	-	(284.41)
	(28.15)	**(304.66)**

a) During current year, the Group basis its assessment of future business projections of its associate, Eatgood Technologies Private Limited, has recognized provision of INR 30 for impairment in the carrying value of its investment. During previous year, the Group basis its assessment of future business projections of its associate, Loginext Solutions Private Limited, had recognized provision of INR 9.96 for impairment in the carrying value of its investment. Further, during the current year, the Group ceased to have significant influence over Loginext Solutions Private Limited and the interest held in the entity has been recognised at its fair value.

b) During the year ended March 31, 2020, the Group basis its assessment of future business projections of its subsidiaries i.e. Orbgen Technologies Private Limited and Little Internet Private Limited had recognized provision for impairment in the carrying value of its goodwill of INR 15.45 and INR 230.87 and of its intangible assets of INR 3.27 and INR 34.82, respectively, which has been shown as exceptional item in the Consolidated Statement of Profit and Loss. The impairment loss for Orbgen Technologies Private Limited and Little Internet Private Limited was based on the equity value calculated based on cash flow projections with the business plan used for impairment testing using discounted cash flow method (Refer note 36).

c) During current year, the Group has lost its control on its two subsidiaries i.e. Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) ('PIPL') and Paytm Financial Services Limited ('PFSL') on dilution of its interest in these entities. The Group has recognised the remaining interest held in these entities on fair value and recognised gain of INR 1.98 and loss of INR 0.13 for PIPL and PFSL, respectively.

d) During the year ended March 31, 2020, the Holding Company had entered into a Share Purchase Agreement to acquire 40% stake in Blueface Technologies Private Limited (‘Blueface’) and had invested 9.86 crore for acquisition of 40% holding. Further during the previous year, the Company had sold its 40% stake in Blueface Technologies Private Limited (‘Blueface’) for a cash consideration of INR 0.03 and recognized a loss of INR 9.83.

e) During the year ended March 31, 2020, on September 10, 2019, the Holding Company entered into a sale agreement to dispose of its investment in subsidiary Cube26 Software Private Limited resulting in loss of INR 0.46.

21. Earnings per shares (EPS)

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	Year ended March 31, 2021	**Year ended March 31, 2020**
Loss attributable to equity holders for basic and diluted earnings	**(1,696.07)**	**(2,842.17)**
Weighted average number of equity shares for basic and diluted EPS#	60,209,837	58,225,828
Earnings per share		
Basic and Diluted earnings per equity share (INR per share)*	(281.69)	(488.13)

* In view of losses during the current period and previous period, the options which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share.
#Nominal value of INR 10 each (March 31, 2020: INR 10 each)

22. Significant accounting judgements, estimates and assumptions

The preparation of the Group’s Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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 future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Deferred taxes and Income taxes

Deferred tax assets can be recognised for deductible temporary differences (including unused tax losses) only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Most of the companies forming part of the Group are yet to generate operating profits, Management has assessed that as at March 31, 2021 it is not probable that such deferred tax assets can be realised in excess of available taxable temporary differences. Management re-assesses unrecognized deferred tax assets at each reporting date and recognizes to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. For details about deferred tax assets, refer note 28.

During FY 2019-20 (AY 2020-21) a shareholder of the Holding Company holding 30.33% of shares of the Holding Company has transferred its shareholding to its group company (both entities being 100% subsidiaries of the same ultimate parent entity). Based on advice from the Holding Company's tax experts, Management has assessed that a mere change in shareholding within the same group will not be an affirmative position to say that the shareholding has been changed. Further, since the shares of the Group carrying not less than fifty-one per cent of the voting power were beneficially held by persons, i.e. ultimate holding company of the aforesaid entities, who beneficially held shares of the company carrying not less than fifty-one per cent of the voting power on the last day of the year or years in which the loss was incurred, the Group shall be entitled to carry forward and set off these losses against the taxable income of the further years in accordance with the provisions of Section 79 of the Income Tax Act, 1961. (refer note 28)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate for plans operated , the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations, refer note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model, Price of Recent Investment (PORI) method and Comparable Company Multiples (CCM) method. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. For further details about Fair value measurement, refer note 31.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit risks associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Group determines whether there has been a significant increase in credit risk.

Impairment reviews

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount of the CGU is less than its carrying value. In calculating the value in use, the Group is required to make judgements, estimates and assumptions inter-alia concerning the growth in EBITDA, long-term growth rates; discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU for allocation of the goodwill. For details about impairment reviews, refer note 36.

Incentives

The Group provide incentives to users in various forms including cashbacks to promote its platform. Incentives to users to whom the Group has a performance obligation is recorded as a reduction of revenue to the extent of the revenue earned. For the incentives to other transacting users to whom the Group has no performance obligation, management is required to determine whether the incentives are in substance a payment on behalf of the merchants and should therefore be recorded as a reduction of revenue or as marketing and promotion expenses. Some of the factors considered in management’s evaluation of such incentives being payments on behalf of merchants include whether the incentives are given at the Group’s discretion, contractual agreements with the merchants, business strategy and objectives and design of the incentive program(s), etc.

(Amounts in INR crores, unless otherwise stated)

23. Group information

A. Entities over which Group exercises control

The Group's subsidiaries as at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Country of incorporation/ Place of business	Ownership interest held by the group		Ownership interest held by non-controlling interest	
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Indian subsidiaries					
One97 Communications India Limited	India	100.00%	100.00%	-	-
Paytm Financial Services Limited (till February 22, 2021) (refer note (ii) below)	India	-	100.00%	-	-
Wasteland Entertainment Private Limited	India	100.00%	100.00%	-	-
Mobiquest Mobile Technologies Private Limited ('MQ') (refer note (i) below)	India	65.71%	54.90%	34.29%	45.10%
Urja Money Private Limited ('Urja')	India	67.47%	67.47%	32.53%	32.53%
Little Internet Private Limited ('Little')	India	62.53%	62.53%	37.47%	37.47%
Paytm Entertainment Limited	India	100.00%	100.00%	-	-
Paytm Money Limited	India	100.00%	100.00%	-	-
Cube26 Software Private Limited (till September 19, 2019)	India	-	-	-	-
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (till June 17, 2020) (refer note (ii) below)	India	-	100.00%	-	-
Orbgen Technologies Private Limited	India	100.00%	100.00%	-	-
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	India	100.00%	100.00%	-	-
Paytm Payments Services Limited (w.e.f October 10, 2020)	India	100.00%	-	-	-
Paytm Insurance Broking Private Limited (w.e.f September 28, 2019)	India	100.00%	100.00%	-	-
Foreign Subsidiaries					
One97 Communications Nigeria Limited	Nigeria	100.00%	100.00%	-	-
One97 Communications FZ-LLC	Dubai	100.00%	100.00%	-	-
One97 Communications Singapore Private Limited ('OCSPL')	Singapore	100.00%	100.00%	-	-
One97 USA Inc.	USA	100.00%	100.00%	-	-
Subsidiaries of Subsidiaries					
One97 Communications Rwanda Private Limited (subsidiary of OCSPL)	Rwanda	100.00%	100.00%	-	-
One97 Communications Tanzania Private Limited (subsidiary of OCSPL)	Tanzania	100.00%	100.00%	-	-
One97 Communications Bangladesh Private Limited (subsidiary of OCSPL)	Bangladesh	70.00%	70.00%	30.00%	30.00%
One97 Uganda Limited (subsidiary of OCSPL)	Uganda	100.00%	100.00%	-	-
One97 Ivory Coast SA (subsidiary of OCSPL)	Ivory Coast	100.00%	100.00%	-	-
One97 Benin SA (subsidiary of OCSPL)	Benin	100.00%	100.00%	-	-
Paytm Labs Inc. (subsidiary of OCSPL)	Canada	100.00%	100.00%	-	-
One97 Communications Malaysia Sdn. Bdn (subsidiary of OCSPL)	Malaysia	100.00%	100.00%	-	-
Xceed IT Solution Private Limited (subsidiary of MQ)	India	65.71%	54.90%	34.29%	45.10%
Nearbuy India Private Limited (subsidiary of Little)	India	62.53%	62.53%	37.47%	37.47%
One Nine Seven Communication Nepal Private Limited (subsidiary of OCSPL)	Nepal	100.00%	100.00%	-	-
One Nine Seven Digital Solutions Ltd (w.e.f. June 2, 2019) (subsidiary of OCSPL)	Kenya	100.00%	100.00%	-	-
Fincollect Services Private Limited (w.e.f. September 25, 2019) (subsidiary of Urja)	India	67.47%	67.47%	32.53%	32.53%
One Nine Seven Communications Saudi Arabia For Communication and Information Technology (w.e.f. December 25, 2019) (subsidiary of OCSPL)	Saudi	100.00%	100.00%	-	-

(Amounts in INR crores, unless otherwise stated)

B. Entities over which Holding Company exercise significant influence - Associates

The entities listed below have share capital consisting solely of equity shares which are held directly by the group. The proportion of ownership interest is the same as the proportion of voting rights held except otherwise stated.

Name	Country of incorporation/ Place of business	% equity interest		Accounting method
		As at March 31, 2021	As at March 31, 2020	
Paytm Payments Bank Limited (refer note (iv) below)	India	49.00%	49.00%	Equity method
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (w.e.f June 18, 2020) (refer note (ii) below)	India	48.98%	-	Equity method
Paytm General Insurance Limited	India	49.00%	49.00%	Equity method
Paytm Life Insurance Limited	India	49.00%	49.00%	Equity method
Paytm Financial Services Limited (w.e.f February 23, 2021) (refer note (ii) below)	India	48.78%	-	Equity method
Foster Payment Networks Private Limited (w.e.f March 26, 2021) (subsidiary of Paytm Financial Services Limited)	India	48.80%	-	Equity method
Infinity Transoft Solution Private Limited (refer note (i) below) (w.e.f August 16, 2019)	India	26.57%	26.57%	Equity method
Eatgood Technologies Private Limited (w.e.f December 2, 2019) (refer note (i) below)	India	22.20%	20.20%	Equity method
Loginext Solutions Private Limited (till January 1, 2021) (refer note (iii) below)	India	-	31.40%	Equity method
Socomo Technologies Private Limited (refer note (i) below)	India	11.32%	11.32%	Equity method
Blueface Technologies Private Limited (w.e.f April 26, 2019 till February 10, 2020)	India	-	-	Equity method

C. Joint Ventures of Paytm Entertainment Limited

Name	Country of incorporation/ Place of business	% equity interest		Accounting method
		As at March 31, 2021	As at March 31, 2020*	
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) ('Paytm First') (refer note (v) below)	India	55.00%	56.93%	Equity method
Paytm First Games Singapore Pte. Ltd. (w.e.f. January 2, 2020) (wholly owned subsidiary of Paytm First Games Private Limited) (refer note (v) below)	Singapore	55.00%	56.93%	Equity method
Paytm Technology (Beijing) Co., Ltd. (w.e.f. October 13, 2020) (wholly owned subsidiary of Paytm First Games Private Limited) (refer note (vi) below)	China	55.00%	-	Equity method

*Due to timing difference for allotment of shares at the year end between Joint Venture partner, the shareholding had temporarily changed as at March 31, 2020. Since, this was a temporary position, the equity accounting has been done considering 55% shareholding.

D. Entities having significant influence over the Group :-

SAIF III Mauritius Company Limited
SAIF Partners India V Limited
SAIF Partners India IV Limited
Elevation Capital V FII Holdings Limited (Formerly known as SAIF India V FII Holdings Limited)
Alipay Singapore E-Commerce Private Limited (till January 7, 2020)
Alibaba.com Singapore E-Commerce Private Limited
Alipay Labs (Singapore) Pte Limited
SVF India Holdings (Cayman) Limited
ANTFIN (Netherlands) Holding B.V. (from January 8, 2020)

Notes:
(i) The entities have issued preference shares as well to the Holding Company.
(ii) The Group lost its control over the entity on dilution of interest, however, the Holding Company still exercises significant influence over the same.
(iii) During the current year, the company ceased to have significant influence over the entity.
(iv) As per Banking Regulation Act, 1949, voting rights in a banking Company are capped at 26% in case the investor holds more than 26% in the bank.
(v) The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.
(vi) The Company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the Company.

(Amounts in INR in crores, unless otherwise stated)

24. Investment in an Associates and Joint venture

A. The following table illustrates the summarised financial information of the Group's investment in Associates.

As at March 31, 2021

Particulars	Paytm Payment Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Paytm Financials Services Limited	Paytm Insuretech Private Limited	Total
Current assets	5,787.66	0.03	0.08	4.17	13.56	90.34	2.11	5,897.95
Non-current assets	583.79	-	-	2.51	4.36	*	0.01	590.67
Current liabilities	(3,310.07)	(5.93)	(0.01)	(2.26)	(9.15)	(81.26)	(0.13)	(3,408.81)
Non-current liabilities	(2,578.93)	(0.06)	-	(10.66)	(0.83)	-	-	(2,590.48)
Employee share based payment reserve	(73.77)	-	-	-	-	-	-	(73.77)
Non-controlling interest	-	-	-	-	-	(5.01)	-	(5.01)
Equity	**408.68**	**(5.96)**	**0.07**	**(6.24)**	**7.94**	**4.07**	**1.99**	410.55
Proportion of the Group's ownership	49.00%	49.00%	49.00%	26.57%	22.20%	48.78%	48.98%	
Carrying amount of the investment	200.63	-	0.04	(1.65)	1.76	1.94	0.97	203.69
Investment recognised for ESOP expenses	-	-	-	-	-	-	-	-
Goodwill/ (Capital Reserves)	-	-	-	10.28	48.67	-	(0.97)	57.98
Provision for impairment of investment	-	-	-	-	(30.00)	-	-	(30.00)
Total Carrying amount of the investment	**200.63**	**-**	**0.04**	**8.63**	**20.43**	**1.94**	**-**	**231.67**

For the year ended March 31, 2021

Particulars	Paytm Payment Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Paytm Financials Services Limited	Paytm Insuretech Private Limited	Total
Revenue	1,987.45	-	-	4.53	54.84	0.06	0.26	2,047.14
Total comprehensive income for the year	18.79	(1.00)	(0.01)	(3.82)	(16.16)	(0.12)	-	(2.32)
Group's share of profit / (loss) for the year	**9.21**	**(0.49)**	**(0.01)**	**(1.01)**	**(3.49)**	**(0.06)**	**-**	**4.15**
Unrecognised share of losses	-	5.87	-	-	-	-	0.16	6.03
Contingent Liabilities, commitments and guarantees	-	-	-	-	-	-	-	-

During the current year, the Group ceased to have significant influence over the Loginext Solutions Private Limited. Socomo Technologies Private Limited have been fully impaired.
The Group recognizes share of losses on associates or joint venture to the extent of its interest, post which the Group discontinues recognizing its further losses.

A. The following table illustrates the summarised financial information of the Group's investment in Associates.

As at March 31, 2020

Particulars	Paytm Payment Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Total
Current assets	4,055.14	0.10	0.09	7.47	28.24	4,091.04
Non-current assets	489.06	-	-	2.59	5.24	496.89
Current liabilities	(2,869.70)	(0.18)	(0.01)	(2.07)	(21.72)	(2,893.68)
Non-current liabilities	(1,229.29)	(0.02)	-	(10.40)	(1.12)	(1,240.83)
Employee share based payment reserve	(55.32)	-	-	-	-	(55.32)
Equity	**389.89**	**(0.10)**	**0.08**	**(2.41)**	**10.64**	**398.10**
Proportion of the Group's ownership	48.98%	49.00%	49.00%	26.57%	20.02%	
Carrying amount of the investment	191.42	-	0.04	(0.64)	2.13	192.95
Investment recognised for ESOP expenses	-	-	-	-	-	-
Goodwill/ (Capital Reserves)	-	-	-	10.28	43.60	53.88
Provision for impairment of investment	-	-	-	-	-	-
Total Carrying amount of the investment	**191.42**	**-**	**0.04**	**9.64**	**45.73**	**246.83**

For the year ended March 31, 2020

Particulars	Paytm Payment Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Total
Revenue	2,110.61	-	-	4.44	41.55	2,156.60
Total comprehensive income for the year	2.62	(1.09)	(0.01)	(1.34)	(16.17)	(15.99)
Group's share of profit / (loss) for the year	**1.28**	**(0.49)**	*****	**(0.36)**	**(3.27)**	**(2.83)**
Unrecognised share of losses	-		-	-	-	-
Contingent Liabilities, commitments and guarantees	-	-	-	-	-	-

* Amount below rounding off norms adopted by the Group.

Loginext Solutions Private Limited and Socomo Technologies Private Limited have been fully impaired.
The Group recognizes share of losses on associates or joint venture to the extent of its interest, post which the Group discontinues recognizing its further losses.

(Amounts in INR in crores, unless otherwise stated)

B. The following table illustrates the summarised financial information of the Group's investment in joint venture.

	Paytm First Games Private Limited (consolidated)	
Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Current assets		
- Cash and cash equivalents	113.73	48.75
- Other assets	26.17	79.53
Total current assets	**139.90**	**128.28**
Total non-current assets	55.24	58.21
Current liabilities		
- Financial liabilities (excluding trade payables)	(150.88)	(1.19)
- Other liabilities	(85.55)	(26.70)
Total current liabilities	**(236.43)**	**(27.89)**
Non-current liabilities		
- Financial liabilities (excluding trade payables)	-	-
- Other liabilities	(0.92)	(0.65)
Total non-current liabilities	**(0.92)**	**(0.65)**
Employee share based payment reserve	(31.72)	(29.78)
Net assets	**(73.93)**	**128.17**
Proportion of the Group's ownership	55.00%	55.00%
Carrying amount of the investment	(41.04)	70.11
Investment recognised for ESOP expenses	8.05	6.11
Total Carrying amount of the investment *	**(32.99)**	**76.22**

	Paytm First Games Private Limited (consolidated)	
Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
Revenue	149.33	17.04
Interest Income	2.81	0.02
Depreciation and amortisation	2.68	2.43
Interest expense	3.02	-
Income tax expense	-	(3.23)
(Loss) for the year	(201.93)	(96.68)
Other comprehensive income	(0.17)	(0.00)
Total comprehensive income for the year	(202.10)	(96.68)
Group's share of profit / (loss) for the year*	**(78.16)**	**(53.17)**
Unrecognised share of losses	(32.99)	-
Contingent Liabilities, commitments and guarantees	-	-

* The net worth of Paytm First Games Private Limited, a joint venture of the group, has been fully eroded with net current liabilities. The carrying value of the share of investment in the consolidated financial statements is reduced to 'Nil' as the group is not liable to contribute in excess of their contribution.

The management has concluded that the Group doesn't control Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) even if it holds more than half of the voting rights of the investee entity. As per management's judgement and evaluation, the Group doesn't have unilateral ability to direct the relevant activities. The Group and other investor has ability to jointly direct the relevant activities of the investee entity by virtue of shareholder's agreement and hence considered to be a joint venture.

(Amounts in INR Crores, unless otherwise stated)

25. Employee share based payments

During the year ended March 31, 2009, the Holding Company introduced One 97 Employee Stock Option Plan – I for the benefit of employees as approved by the Board of Directors in the meeting held on September 08, 2008 and by the members in the Extra Ordinary General Meeting held on October 22, 2008 for a total of 951,355 options. The Holding Company appropriated 795,056 options of INR10 each to be granted to eligible employees which were granted on December 31, 2008. These options were granted to all eligible, permanent employees who were on rolls of Holding Company as at December 31, 2008 and to be settled in equity. These options have a vesting period of 4 years and were vested at one year interval in the following proportion:

Date of vesting	% of total options vesting
December 31, 2009	10%
December 31, 2010	20%
December 31, 2011	30%
December 31, 2012	40%

Out of 795,056 options granted, exercise price of 233,602 options granted to employees who joined the Holding Company till March 31, 2007 was INR10 per option and for 561,454 options granted to employees joining between April 01, 2007 and December 31, 2008 the exercise price was Rs 49 per option.

On September 03, 2010, the Holding Company appropriated 252,101 options of INR 10 each to be granted to eligible employees (including grant of 30,000 options to independent non-executive directors) at an exercise price of INR 180 each. Options granted to independent non-executive directors were approved in Extra-Ordinary General meeting of members held on November 22, 2010. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
September 03, 2011	10%
September 03, 2012	20%
September 03, 2013	30%
September 03, 2014	40%

On September 01, 2011, the Holding Company increased the ESOP pool by adding 107,407 options taking total ESOP pool to 1,058,762 as approved by the Board of Directors in the meeting held on August 02, 2011 and by the members in the Extra Ordinary General Meeting held on August 19, 2011.

On January 30, 2012, the Holding Company appropriated 4,330 options of INR 10 each to be granted to one eligible employee at an exercise price of INR 232 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
January 30, 2012	10%
January 30, 2013	20%
January 30, 2014	30%
January 30, 2015	40%

(Amounts in INR Crores, unless otherwise stated)

On December 29, 2012, the Holding Company appropriated 196,163 options of INR 10 each to be granted to eligible employee at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on November 29, 2012 and by the members in the Extra Ordinary General Meeting held on December 29, 2012.
These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
December 29, 2012	10%
December 29, 2013	20%
December 29, 2014	30%
December 29, 2015	40%

On August 01, 2013, the Holding Company appropriated 166,668 options of INR 10 each to be granted to eligible employees at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on January 31, 2014. 30% of these options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
August 1, 2014	10%
August 1, 2015	20%
August 1, 2016	30%
August 1, 2017	40%

Remaining 70% of the options will be vested upon achievement of certain performance targets.

On March 31, 2014, the Holding Company increased the ESOP pool by adding 260,000 options taking total ESOP pool to 1,318,762 as approved by the Board of Directors in the meeting held on January 31, 2014 and by the members in the Extra Ordinary General Meeting held on August 31, 2014.

On April 01, 2014 the Holding Company appropriated 313,446 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each as ratified by the Board of Directors in the meeting held on June 10, 2015.

Date of vesting	% of total options vesting
April 1, 2015	10%
April 1,2016	20%
April 1,2017	30%
April 1,2018	40%

On April 01, 2015, the Holding Company appropriated 491,722 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2016	10%
April 1,2017	20%
April 1,2018	30%
April 1,2019	40%

(Amounts in INR Crores, unless otherwise stated)

On September 30, 2015, the Holding Company increased the ESOP pool by adding 604,858 options taking total ESOP pool to 1,923,620 as approved by the Board of Directors in the meeting held on July 24, 2015 and by the members in the Annual General Meeting held on September 30, 2015.

On October 01, 2015 the Holding Company appropriated 104,864 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2016	10%
October 1,2017	20%
October 1,2018	30%
October 1,2019	40%

On April 01, 2016 the Holding Company appropriated 395,325 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2017	10%
April 1,2018	20%
April 1,2019	30%
April 1,2020	40%

On October 01, 2016 the Holding Company appropriated 97,031 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2017	10%
October 1,2018	20%
October 1,2019	30%
October 1,2020	40%

On April 01, 2017 the Holding Company appropriated 361,128 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2018	10%
April 1,2019	20%
April 1,2020	30%
April 1,2021	40%

(Amounts in INR Crores, unless otherwise stated)

On October 01, 2017 the Holding Company appropriated 29,044 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2018	10%
October 1,2019	20%
October 1,2020	30%
October 1,2021	40%

On April 01, 2018 the Holding Company appropriated 243,899 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2019	10%
April 1,2020	20%
April 1,2021	30%
April 1,2022	40%

On July 01, 2018 the Holding Company appropriated 45,649 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
July 1,2019	10%
July 1,2020	20%
July 1,2021	30%
July 1,2022	40%

On October 01, 2018 the Holding Company appropriated 34,409 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2019	10%
October 1,2020	20%
October 1,2021	30%
October 1,2022	40%

On January 01, 2019 the Holding Company appropriated 47,958 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

(Amounts in INR Crores, unless otherwise stated)

Date of vesting	% of total options vesting
January 1,2020	10%
January 1,2021	20%
January 1,2022	30%
January 1,2023	40%

On March 22, 2019, the Holding Company's shareholders in an extra ordinary general meeting authorized the Chief Executive Office/Managing Director of the Holding Company to approve the cancellation/modification of unvested employee stock options with the prior consent of the employees. Pursuant to this, the Holding Company cancelled 95,561 outstanding unvested employee stock options, with prior consent of the employees. This cancellation resulted into an accelerated share based payment expense of INR 6.16 in the Standalone Statement of Profit and Loss for the year ended March 31, 2019.

On April 01, 2019 the Holding Company appropriated 125,575 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	30%
April 1,2023	40%

On April 01, 2019 the Holding Company appropriated 86,871 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	20%
April 1,2023	25%
April 1,2024	25%

On April 01, 2019 the Holding Company appropriated 4,375 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 2 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2020	50%
April 1,2021	50%

(Amounts in INR Crores, unless otherwise stated)

On September 04, 2019, the Holding Company introduced One97 Employees Stock Option Scheme, 2019 and further increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,166,524 as approved by the Board of Directors in the meeting held on September 04, 2019 and by the members in the Annual General Meeting held on September 30, 2019.

On October 01, 2019 the Holding Company appropriated 72,123 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2020	10%
October 1,2021	20%
October 1,2022	20%
October 1,2023	25%
October 1,2024	25%

On September 04, 2019, Holding Company in a Board meeting approve the cancellation/modification of 84,614 outstanding unvested employee stock options with the prior consent of the employees. This cancellation has resulted into an accelerated share based payment expense of INR 28.43 in the Standalone Statement of Profit and Loss for the year ended March 31, 2020.

On April 01, 2020 the Holding Company has appropriated 46,654 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
April 1,2021	10%
April 1,2022	20%
April 1,2023	20%
April 1,2024	25%
April 1,2025	25%

On July 01, 2020 the Holding Company has appropriated 2,730 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 1 year subject to achievement of milestone as determined by the Board of Directors:

Date of vesting	% of total options vesting
July 1, 2021	100%

On July 01, 2020 the Holding Company has appropriated 15,915 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
July 1,2021	10%
July 1,2022	20%
July 1,2023	20%
July 1,2024	25%
July 1,2025	25%

(Amounts in INR Crores, unless otherwise stated)

On October 01, 2020 the Holding Company has appropriated 321,532 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2021	10%
October 1,2022	20%
October 1,2023	20%
October 1,2024	25%
October 1,2025	25%

*Vesting of options are subject to achievement of operational performance targets as determined by the Board of Directors.

All the above options issued by the Holding Company are Equity Settled.

During the year, Holding Company has revised Exercise Period from “five year term post vesting date” to “anytime during the entire period of continuous active employment from the date of vesting of respective employee stock options” and the same has been approved by shareholders in Extra-Ordinary General Meeting held on September 02, 2020.

During the year, the Holding Company increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,409,428 as approved by the Board of Directors in the meeting held on February 25, 2021and by the members in the Extra-Ordinary General Meeting held on March 26, 2021.

The total options outstanding as at March 31, 2021 are 1,003,128 (March 31, 2020: 877,070) out of which 10,297 (March 31, 2020: 11,297) options have an exercise price of INR 10 each, 2,590 (March 31, 2020: 2,590) options have an exercise price of INR 49 each, 127,544 (March 31, 2020: 127,544) options have an exercise price of INR 180 each and 862,697 (March 31, 2020: 735,640) options have an exercise price of INR 90 each.

Grant Date	**Number of Options outstanding**	**Number of Options outstanding**	**Exercise Price**
	March 31, 2021	**March 31, 2020**	
December 31, 2008	10,297	11,297	10
December 31, 2008	2,590	2,590	49
September 03, 2010	250	250	180
December 29, 2012	127,294	127,294	180
April 01, 2014	2,464	2,464	90
April 01, 2015	4,901	4,901	90
October 01, 2015	6,468	11,074	90
April 01, 2016	56,179	83,340	90
October 01, 2016	53,755	54,137	90
April 01, 2017	99,534	150,563	90
October 01, 2017	16,668	19,302	90
April 01, 2018	108,724	159,456	90
July 01, 2018	40,958	40,958	90
October 01, 2018	3,335	10,483	90

(Amounts in INR Crores, unless otherwise stated)

January 01, 2019	-	47,958	90
April 01, 2019	2,790	3,190	90
April 01, 2019	46,542	72,920	90
April 01, 2019	4,375	4,375	90
October 01, 2019	63,763	70,518	90
April 01, 2020	38,542	-	90
July 01, 2020	16,649	-	90
October 01, 2020	297,050	-	90
	1,003,128	**877,070**	

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		INR		INR
	March 31, 2021		**March 31, 2020**	
Outstanding at the beginning of the year	877,070	101.93	960,743	100.56
Options granted during the year	386,831	90.00	288,777	90.00
Options exercised during the year**	(63,724)	89.12	(127,850)	87.50
Options forfeited during the year	(197,046)	90.00	(159,986)	90.00
Options cancelled during the year	-	90.00	(84,614)	90.00
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	1,003,128	100.52	877,070	101.93
Vested options outstanding at the end of the year (exercisable)	475,518	112.19	421,902	114.76

** The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was INR 10,706.93 per share (March 31, 2020: INR 8,263.83 per share).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2021 was 5.59 years (March 31, 2020: 4.55 years).

The weighted average fair value of options granted during the year was INR 10,666.86 per option (March 31, 2020 was INR 8,757.29 per option).

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2021 (computed using Discounted Cash Flow & Black-Scholes model) was INR 11,271.00 per option for grant date April 1, 2020, INR 10,666 per option for grant date July 1, 2020 & October 1, 2020. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

(Amounts in INR Crores, unless otherwise stated)

Grant Date:- April 1, 2020
Method of Valuation - Black-Scholes Model

Share price	INR 11,271 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	2.5
Risk free interest rate	5.60-6.80%
Annualized Volatility	36.50-53.00%

Grant Date:- July 1, 2020
Method of Valuation - Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.40-5.20%
Annualized Volatility	43.20-46.80%

Grant Date:- October 1, 2020
Method of Valuation – Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.90-5.30%
Annualized Volatility	42.40-46.90%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2020 (computed using Discounted Cash Flow & Black-Scholes model) was INR 7,995.00 per option for grant date April 1, 2019, INR 11,291 per option for grant date October 1, 2019. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2019
Method of Valuation - Discounted Cash Flow Method

Share price	INR 7,995 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.80-7.20%
Annualized Volatility	40.00-53.00%

(Amounts in INR Crores, unless otherwise stated)

Grant Date:- October 1, 2019
Method of Valuation – Black-Scholes Model

Share price	INR 11,291 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.10-6.60%
Annualized Volatility	43.00-61.00%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2019 (computed using Black-Scholes model) was INR 6,015.60 per option for grant date April 1, 2018, INR 6,017.90 per option for grant date July 1, 2018, INR 6,762.90 per option for grant date October 1, 2018 and INR 6,762.60 per option for grant date January 1, 2019. The estimation of fair value on date of grant was made using the Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.20-7.40%
Annualized Volatility	59.00-64.00%

Grant Date:- July 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.82-8.10%
Annualized Volatility	59.00-62.00%

Grant Date:- October 1, 2018

Share price	INR 6,821 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.94-8.03%
Annualized Volatility	58.00-74.00%

(Amounts in INR Crores, unless otherwise stated)

Grant Date:- January 1, 2019

Share price	INR 6,823 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.10-7.40%
Annualized Volatility	51.00-52.00%

Notes:

1. Weighted average share price is based on the value of Equity Shares arrived at by using Discounted Cash Flow Method or Backsolve method and share prices based on secondary transactions, where available.
2. Dividend yield is considered zero, as no dividend payout is expected in the foreseeable future.
3. Risk free return is based on the yield to maturity of Indian treasury securities, with a maturity corresponding to the expected term of ESOP.
4. Annualized volatility is based on the median weekly volatility of selected comparables companies for a time period commensurate with the expected term.

Little Internet Private Limited 2017 Plan (Little Plan)

Little Internet Private Limited ('Little') has introduced Employee Stock Option Scheme 2017 ("ESOS 2017") with effect from December 21, 2017 to enable the employees of Little Internet Private Limited to participate in the future growth and success of Little Internet Private Limited. ESOS 2017 is operated at the discretion of the Board.

The options which confer a right but not an obligation on the employee to apply for equity shares of the Little Internet Private Limited once the terms and conditions set forth in the Employee Stock Option Scheme 2017 ("ESOS 2017") and the option agreement have been met. Vesting of options would be subject to continued employment with the Little Internet Private Limited and meeting the requisite performance parameters. The exercise price of the options are INR Nil. The other relevant terms of the grant are as below:-

Vesting period 1 to 4 years
Exercise period 10 years (including the vesting period)

(Amounts in INR Crores, unless otherwise stated)

The details of activity under the plans are summarized below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	ESOP	MSOP	ESOP	MSOP
Outstanding at the beginning of the year	16,745	1,505,386	34,297	1,970,619
Options granted	-	-	-	-
Options Exercised	-	-	-	-
Options forfeited	8,924	143,224	17,552	465,233
Outstanding at the end of the year	7,821	1,362,162	16,745	1,505,386
Options vested and exercisable	7,821	1,338,291	6,816	1,338,291

Weighted average exercise price for MSOPs and ESOPs is INR Nil

The weighted average fair value of options granted in 2020 and 2021 was INR 163.

The weighted average remaining contractual life for these options is given below:-

	As at March 31, 2021	As at March 31, 2020
MSOP	6.73	7.73
ESOP	7.01	8.01

Little Internet Private Limited has adopted the fair value method using Black-Scholes model in respect of stock options granted. The value of underlying shares has been determined by an independent valuer.

The valuation of the share options granted is based on the following assumptions:

Particulars	March 31, 2021	March 31, 2020
Risk-free interest rate (% p.a.)	7.50	7.50
Expected life of options (years)	4.41	4.41
Expected volatility (%)	42.41	42.41
Dividend yield (%)	-	-

(Amounts in INR Crores, unless otherwise stated)

Wasteland Entertainment Private Limited 2017 Plan

Wasteland Entertainment Private Limited has introduced Employee Stock Option Plan 2017 (“ESOP 2017”) and Employee Stock Option Plan 2018 (“ESOP 2018”) with effect from June 14, 2017 and October 01, 2018 to enable the employees of Wasteland Entertainment Private Limited to participate in the future growth and success of the Holding Company. ESOP 2017 and ESOP 2018 is operated at the discretion of the Board.

The options which confer a right but not an obligation on the employee to apply for equity shares of Wasteland Entertainment Private Limited once the terms and conditions set forth in the ESOP 2017 and ESOP 2018 and the option agreement have been met. Vesting of options would be subject to continued employment with Wasteland Entertainment Private Limited and meeting the requisite performance parameters. The exercise price of the options is INR 10 and INR 100 in ESOP 2017 & ESOP 2018 respectively.

Vesting Period - 1 to 4 years
Exercise Period - 10 years for ESOP 2017 and 5 years for ESOP 2018 (excluding the vesting period)

The movement in the shares issued for the year ended March 31, 2021 and March 31, 2020 are set out below:

Particulars	31 March 2021	31 March 2020
	ESOP	ESOP
Outstanding at the beginning	5,459	5,459
Options granted	-	-
Options Exercised	(2,105)	-
Options forfeited	(2,957)	-
Outstanding at the end of the year	397	5,459
Options vested & exercisable	397	2,753

Weighted Average Exercise Price per option is INR 10 per option as at March 31, 2021 (March 31, 2020: INR 19.48 per option)

The total expense of share based payment expenses pertaining to ESOP Plan 2017 and 2018 for the year ended March 31, 2021 is INR. 1.41 (March 31, 2020: INR 1.13) after necessary adjustments.

The weighted average fair value of options granted as at March 31, 2021 was INR 11,415 and March 31, 2020 was INR 13,597.

The weighted average remaining contractual life for these options is given below:-

	March 31, 2021	**March 31, 2020**
ESOP	10.21	10.82

On September 10, 2020, Wasteland Entertainment Private Limited in a Board Meeting approved cancellation of 1,479 outstanding vested employee stock options and 1,478 unvested employee stock options with the prior consent of the employees. This cancellation has resulted in an accelerated share based payment expense of INR. 0.92 in the Statement of Profit and Loss.

(Amounts in INR Crores, unless otherwise stated)

The Wasteland Entertainment Private Limited has adopted fair value method using Black-Scholes Model in respect of stock options granted. The value of underlying shares has been determined by an independent valuer.

Note – The ESOP Plan for Urja Money Private Limited being not material to the group and hence no further information is disclosed.

The expense recognised for employee services received during the year is shown in the following table:

	March 31,2021	March 31,2020
Expense arising from equity-settled share-based payment transactions of Holding Company	111.32	166.13
Expense arising from equity-settled share-based payment transactions (Little Internet Private Limited)	(1.65)	(1.73)
Expense arising from equity-settled share-based payment transactions (Wasteland Entertainment Private Limited)	1.41	1.13
Expense arising from equity-settled share-based payment transactions (Urja Money Private Limited)	0.02	(0.03)
Other Adjustments	1.44	0.62
Total expense arising from share-based payment transactions*	112.54	166.06

*the above total consider foreign currency translation adjustment, as applicable for each year.

(Amounts in INR crores, unless otherwise stated)

26. Related party transactions

A. Entities over which Group exercise significant influence

Name	Country of incorporation
Paytm Payments Bank Limited	India
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (w.e.f June 18, 2020)	India
Foster Payment Networks Private Limited (w.e.f March 26, 2021)	India
Paytm General Insurance Limited	India
Paytm Life Insurance Limited	India
Paytm Financial Services Limited (w.e.f February 23, 2021)	India
Infinity Transoft Solution Private Limited (w.e.f August 16, 2019)	India
Eatgood Technologies Private Limited (w.e.f December 2, 2019)	India
Socomo Technologies Private Limited	India
Loginext Solutions Private Limited (till January 1, 2021)*	India
Blueface Technologies Private Limited (w.e.f April 26, 2019 till February 10, 2020)	India

* During the current year, the company ceased to have significant influence over the entity.

B. Key Management Personnel

Vijay Shekhar Sharma	Chairman and Managing Director
Madhur Deora	Chief Financial Officer (till September 3, 2019)
	Group Chief Financial Officer (w.e.f October 9, 2020)
Vikas Garg	Chief Financial Officer (w.e.f March 1, 2020)

C. Joint Venture of Paytm Entertainment Limited

Name	Country of incorporation
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) ('Paytm First')*	India
Paytm First Games Singapore Pte. Ltd. (w.e.f. January 2, 2020) (subsidiary of Paytm First Games Private Limited)*	Singapore
Paytm Technology (Beijing) Co., Ltd. (w.e.f. October 13, 2020) (wholly owned subsidiary of Paytm First Games Private Limited)#	China

* The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.
# The Company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the Company.

D. Entities having significant influence over the Group

SAIF III Mauritius Company Limited
SAIF Partners India V Limited
SAIF Partners India IV Limited
Elevation Capital V FII Holdings Limited (Formerly known as SAIF India V FII Holdings Limited)
Alipay Singapore E-Commerce Private Limited (till January 7, 2020)
Alibaba.com Singapore E-Commerce Private Limited
Alipay Labs (Singapore) Pte Limited
SVF India Holdings (Cayman) Limited
ANTFIN (Netherlands) Holding B.V. (w.e.f January 8, 2020)

E. Relatives of Individuals owning interest in the voting power of the Group that gives the control or significant influence

Ajay Shekhar Sharma	Brother of Mr. Vijay Shekhar Sharma

(Amounts in INR crores, unless otherwise stated)

Details of transactions with related parties during the year ended March 31, 2021 and March 31, 2020:-

Particulars	**March 31, 2021**	**March 31, 2020**
Rendering of services to related parties		
Paytm Payments Bank Limited	863.39	875.24
Paytm First Games Private Limited	20.42	8.84
Infinity Transoft Solution Private Limited	0.41	1.50
Eatgood Technologies Private Limited	0.03	0.53
	884.25	**886.11**
Reimbursement of expenses incurred on behalf of related parties		
Paytm Payments Bank Limited	61.74	94.53
Paytm First Games Private Limited	23.77	4.24
Paytm General Insurance Limited	0.01	-
	85.52	**98.77**
Expenses reimbursed to related party		
Paytm First Games Private Limited	8.65	-
	8.65	**-**
Interest income earned from related parties		
Paytm Payments Bank Limited	1.42	2.64
Paytm Financial Services Limited	0.15	-
Paytm First Games Private Limited	2.04	-
	3.61	**2.64**
Other income earned from related parties*		
Paytm Payments Bank Limited	12.21	
	12.21	**-**
Sale of property, plant & equipment to related parties		
Paytm Payments Bank Limited	0.13	18.57
	0.13	**18.57**
Services received from related parties		
-Payment processing charges		
Paytm Payments Bank Limited	946.81	968.97
	946.81	**968.97**
-General expenses		
Paytm Payments Bank Limited	37.39	109.13
Alipay Labs (Singapore) Pte Limited	105.68	79.34
Eatgood Technologies Private Limited	1.98	-
Paytm Insuretech Private Limited	0.22	-
	145.27	**188.47**
Issue of equity shares		
Alipay Singapore E-Commerce Private Limited	-	0.79
	-	**0.79**
Security premium received		
Alipay Singapore E-Commerce Private Limited	-	1,432.23
	-	**1,432.23**
Inter corporate loan given		
Paytm Financial Services Limited	45.00	-
Paytm First Games Private Limited	80.92	-
	125.92	**-**
Stock Options granted to employees of Group Companies		
Paytm First Games Private Limited	1.94	3.29
	1.94	**3.29**
Investment in joint venture		
Paytm First Games Private Limited	-	80.47
	-	**80.47**
Investment in associates		
Paytm General Insurance Limited	0.49	-
Blueface Technologies Private Limited	-	9.86
Infinity Transoft Solution Private Limited	-	10.00
Eatgood Technologies Private Limited	8.17	49.00
	8.66	**68.86**

*Included under miscellaneous income disclosed under note 15.

(Amounts in INR crores, unless otherwise stated)

Details of balances outstanding with related parties as at March 31, 2021 and March 31, 2020:-

Particulars	March 31, 2021	March 31, 2020
Other financial assets (Other receivable for expenditure incurred)		
Paytm First Games Private Limited	14.57	6.36
Alibaba.com Singapore E-Commerce Private Limited	0.08	0.08
Paytm Payments Bank Limited	1.94	7.55
Paytm Financial Services Limited	0.01	-
Paytm General Insurance Limited	0.01	-
Infinity Transoft Solution Private Limited	*	-
	16.61	**13.99**
Other financial assets (Amount receivable for sale of business)		
Paytm Payments Bank Limited	13.85	27.50
	13.85	**27.50**
Other current assets		
Paytm Payments Bank Limited	278.49	150.11
Paytm General Insurance Limited	1.72	-
	280.21	**150.11**
Inter corporate loan receivable (including accrued interest)		
Paytm Financial Services Limited	45.14	-
Paytm First Games Private Limited	82.75	-
	127.89	**-**
Amount receivable from payment gateway		
Paytm Payments Bank Limited	854.57	286.39
	854.57	**286.39**
Trade receivables		
Paytm Payments Bank Limited	9.32	4.06
Paytm First Games Private Limited	15.93	-
	25.25	**4.06**
Other financial assets		
Paytm Payments Bank Limited	42.30	114.32
Paytm First Games Private Limited	1.13	-
Infinity Transoft Solution Private Limited	*	-
	43.43	**114.32**
Trade payables (including accrued expenses)		
Alipay Labs (Singapore) Pte Limited	33.67	80.90
Paytm Payments Bank Limited	12.37	8.61
Paytm First Games Private Limited	0.15	0.04
Paytm Insuretech Private Limited	0.23	-
Eatgood Technologies Private Limited	0.15	-
Paytm General Insurance Limited	0.02	0.02
	46.59	**89.57**
Other financial liabilities		
-Payable to merchants		
Socomo Technologies Private Limited	*	0.02
Paytm Payments Bank Limited	72.19	13.17
Paytm First Games Private Limited	-	0.02
Eatgood Technologies Private Limited	0.04	-
Infinity Transoft Solution Private Limited	*	-
	72.23	**13.21**
-Payable on purchase of fixed assets		
Paytm Insuretech Private Limited	-	0.12
	-	**0.12**
Other amount received from customers (Other financial liabilities)		
Paytm Payments Bank Limited	8.25	-
Socomo Technologies Private Limited	0.02	-
	8.27	**-**

(Amounts in INR crores, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020
Contract Liabilities		
Infinity Transoft Solution Private Limited	*	0.16
Eatgood Technologies Private Limited	*	-
	*	**0.16**
Other Current Liabilities		
Paytm First Games Private Limited	8.12	7.95
	8.12	**7.95**
Balances with banks on current account		
Paytm Payments Bank Limited	-	*
	-	*

* Amount below rounding off norms adopted by the Group

Remuneration to KMP & Relatives of Individuals owning interest in the voting power of the Group that gives the control or significant influence

Particulars	March 31, 2021	March 31, 2020
Salaries, bonus and incentives	7.20	5.62
ESOP Expenses	11.23	4.54
Total compensation paid	**18.43**	**10.16**

Terms and conditions of transactions with related parties

(i) The services provided and received from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the period end are unsecured and interest free (except for inter corporate loan receivable) and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables.

(ii) The remuneration to the key managerial personnel ('KMP') does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Group as a whole.

(iii) The Group has agreed to provide appropriate financial support only if and to the extent required by certain of its joint ventures.

(iv) No remuneration in the capacity of a director is paid to any director of the Holding Company except as disclosed above.

(Amounts in INR crores, unless otherwise stated)

27. Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding company makes contributions to recognised fund/insurer in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. Disclosures given below are as per actuarial valuation report of independent actuary.

The following tables summarize the components of net benefit expenses recognized in the Consolidated Statement of Profit and Loss and the funded status and amount recognized in the Consolidated Balance Sheet.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2021:

		Defined benefit obligation	**Fair value of plan assets ***	**Benefit liability (Net)**
	As at April 01, 2020	30.89	(9.96)	20.93
	Liability acquired in business combinations	(0.94)	-	(0.94)
Gratuity cost charged to profit or loss	Current Service cost	9.24	-	-
	Net interest expense/ (income)	2.02	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.68)	-
	Sub-total included in profit or loss	**11.26**	**(0.68)**	**10.58**
Remeasurement (gains)/losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	0.80	-	-
	Experience adjustments	1.00	(0.16)	-
	Sub-total included in OCI	**1.80**	**(0.16)**	**1.64**
	Net liability transferred on transfer of employees	1.68	-	1.68
	Benefits paid	(3.47)	2.90	(0.57)
	Contributions by employer	-	(9.00)	(9.00)
	As at March 31, 2021	**41.22**	**(16.90)**	**24.32**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020:

		Defined benefit obligation	**Fair value of plan assets ***	**Benefit liability (Net)**
	As at April 01, 2019	23.26	(11.11)	12.15
	Liability acquired in business combinations	0.32	-	0.32
Gratuity cost charged to profit or loss	Current Service cost	7.28	-	-
	Net interest expense/ (income)	1.79	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(0.84)	-
	Sub-total included in profit or loss	**9.06**	**(0.84)**	**8.22**
Remeasurement (gains)/losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	0.01	-	-
	Actuarial changes arising from changes in financial assumptions	0.05	-	-
	Experience adjustments	0.34	0.04	-
	Sub-total included in OCI	**0.40**	**0.04**	**0.44**
	Net liability transferred on transfer of employees	0.51	-	0.51
	Benefits paid	(2.66)	1.95	(0.71)
	As at March 31, 2020	**30.89**	**(9.96)**	**20.93**

* Fair value of the total plan assets are 100% in funds managed by Insurer.

(Amounts in INR crores, unless otherwise stated)

The net liability disclosed above relates to funded plans are as follows:

	March 31, 2021	March 31, 2020
Present value of the obligations at end	41.22	30.89
Fair value of plan assets	(16.90)	(9.96)
Deficit of funded plan/gratuity plan	**24.32**	**20.93**

The principal assumptions used in determining defined benefit obligations are shown below:

(i) Economic Assumptions

Particulars	March 31, 2021	March 31, 2020
	%	%
Discount rate	6.76	6.76
Future salary increases	10%	FY 20-21: 0.00% FY 21-22: 5.00% Post FY 21-22: 10.00%

(i) Demographic Assumptions

Particulars	March 31, 2021	March 31, 2020
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Ages	Withdrawal Rate %	
Up to 30 Years	30	30
From 31 to 44 years	30	30
Above 44 years	30	30

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	March 31, 2021		March 31, 2021	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.08)	1.39	1.31	(0.02)

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

	March 31, 2020		March 31, 2020	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.57)	0.57	0.52	(0.52)

(Amounts in INR crores, unless otherwise stated)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are INR 11.35 (March 31, 2020: INR 8.39).

The weighted average duration of the defined benefit obligation is 2.76 (March 31, 2020:INR 2.76).

The expected maturity analysis of gratuity is as follows:

	March 31, 2021	**March 31, 2020**
Within the next 12 months (next annual reporting period)	7.33	5.26
Between 1-2 years	7.82	5.84
Between 2 and 5 years	15.00	11.23
Beyond 5 years	11.07	8.56
Total expected payments	**41.22**	**30.89**

Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan assets are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, there will be a deficit of the plan asset investments in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.
Changes in bond yields: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Inflation risks: The payments are not linked to inflation, so this is a less material risk.
Life expectancy: Obligations are to provide benefits for the life of the member, so increases in life expectancy and inflation will result in an increase in the plans' liabilities. This is particularly significant where inflationary conditions result in higher sensitivity to changes in life expectancy.

Major categories of plans assets are as follows:

	March 31, 2021		**March 31, 2020**	
Particulars	**Amount**	**in %**	**Amount**	**in %**
Government securities	(6.66)	39.39	(4.50)	45.22
Non convertible debentures	(8.51)	50.37	(4.43)	44.51
Others	(1.73)	10.24	(1.02)	10.27
Total	**(16.90)**	**100.00**	**(9.96)**	**100.00**

(Amounts in INR in crores, unless otherwise stated)

28. Income Tax

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are:

Consolidated statement of profit and loss:
Profit or loss section

	March 31, 2021	March 31, 2020
Current income tax:		
Current income tax charge	3.44	1.63
Deferred tax:		
Relating to origination and reversal of temporary differences	(0.74)	(17.39)
Income tax expense reported in the statement of profit or loss	**2.70**	**(15.76)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:

	March 31, 2021	March 31, 2020
Accounting profit before income tax	(1,698.31)	(2,958.12)
At India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%)	(427.43)	(744.50)
Tax expense during the year for One97 Employee Welfare Trust	0.22	0.05
Share of results of associates	18.63	14.10
Tax in foreign jurisdiction	(1.77)	0.12
Effect of tax free rates in foreign jurisdiction	(2.88)	(0.95)
Other non-deductible expenses	7.22	12.88
Losses on which deferred taxes not recognised*	376.22	582.94
Unabsorbed depreciation on which deferred taxes not recognised*	24.98	24.71
Other temporary differences on which deferred taxes utilised	(0.74)	(17.36)
Other temporary differences on which deferred taxes not recognised*	8.25	112.25
	2.70	**(15.76)**
Income tax expense reported in the statement of profit and loss	2.70	(15.76)

Deferred tax relates to the following:

	Consolidated Balance Sheet		Consolidated statement of profit and loss	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred tax liabilities				
Accelerated depreciation for tax purposes	(0.62)	(1.11)	(0.61)	(26.68)
Unrealised gain on investments	-	(11.52)	(11.52)	(23.94)
Deferred tax assets				
Unabsorbed depreciation	-	11.52	11.52	33.26
Net deferred tax liabilities	**(0.62)**	**(1.11)**		
Deferred tax assets				
Accelerated depreciation for tax purposes	0.62	0.29	(0.13)	-
Provision for doubtful debts	0.42	0.42	-	-
Losses available for offsetting against future taxable income	2.35	2.35	-	-
Deferred tax liabilities				
Unrealised foreign exchange gain/loss	0.12	0.12	-	(0.03)
Net deferred tax assets	**3.51**	**3.18**		
Deferred tax expense/(income)			**(0.74)**	**(17.39)**

Reconciliation of deferred tax assets and deferred tax liabilities

	Net deferred tax liabilities		Net deferred tax assets	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Opening balance as of 1 April	(1.11)	(18.47)	3.18	3.04
Tax income/(expense) during the period recognised in profit or loss	0.61	17.36	0.13	0.03
Impact of Foreign currency translation reserves	(0.12)	-	0.20	0.11
Closing balance as at 31 March	**(0.62)**	**(1.11)**	**3.51**	**3.18**

* Deferred tax has been recognised to the extent of available deferred tax liabilities since it is not probable that taxable profits will be available against which the unutilised tax losses and temporary differences can be utilised, as assessed at March 31,2021 and March 31,2020.

Deductible temporary differences for which no deferred tax asset is recognised in the Balance Sheet:

Particulars	Expiry Date (Year ending March 31,)	As of March 31,2021	As of March 31, 2021 Tax impact @ 25.17%
Tax Losses	2023	331.61	83.46
	2024	1,494.29	376.08
	2025	717.90	180.68
	2026	1,393.72	350.77
	2027	3,824.78	962.62
	2028	2,271.48	571.69
	2029	1,494.82	376.22
Total tax losses		**11,528.60**	**2,901.52**
Unabsorbed depreciation	No expiry period	440.15	110.78
Other temporary differences		935.06	235.34
Total		**12,903.81**	**3,247.64**

Deductible temporary differences for which no deferred tax asset is recognised in the Balance Sheet:

Particulars	Expiry Date (Year ending March 31,)	As of March 31,2020	As of March 31, 2020 Tax impact @ 25.17%
Tax Losses	2023	331.61	83.46
	2024	1,521.84	383.02
	2025	757.66	190.69
	2026	1,462.43	368.06
	2027	3,825.56	962.82
	2028	2,316.20	582.94
Total tax losses		**10,215.30**	**2,570.99**
Unabsorbed depreciation	No expiry period	320.33	80.62
Other temporary differences		922.49	232.17
Total		**11,458.12**	**2,883.78**

(Amounts in INR crores, unless otherwise stated)

29. Commitments and contingencies

a. Leases

Operating lease: Company as Lessee

The Group has taken certain office space on operating lease. Rental expense towards leases charged to Consolidated Statement of Profit and Loss for the year ended March 31, 2021 amount to INR 9.21 (March 31, 2020 INR 14.78).

The Group leases various offices under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

b. Lease not yet commenced

During the current year, the Holding company has entered into a lease agreement for 9 years having lock-in period of 5 years, for which lease is not yet commenced as on March 31, 2021. The Group is committed to pay lease rentals of INR 143.86 over the period of 5 years. No such arrangement existed as on March 31, 2020.

c. Capital commitments

Estimated amount of contracts towards property, plant & equipment remaining to be executed on capital account and not provided for is INR 372.41 (Net of capital advance of INR 17.94) [March 31 2020: INR 87.12 (Net of capital advance of INR 5.35)].

d. Contingent liabilities

i)

	March 31, 2021	March 31, 2020
Claims against the Group not acknowledged as debts	47.63	46.54
Income Tax related matters	1.61	-
Total	**49.24**	**46.54**

ii) The Group will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Consolidated Financial Statements.

iii) The Holding Company has been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. The Holding Company actively monitors such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.

Notes:

1) It is not practicable for the Group to estimate the timing of cash outflows, if any.

2) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(Amounts in INR crores, unless otherwise stated)

30. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	March 31, 2021	March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due under MSMED Act	3.36	10.04
- Interest due on above	0.06	0.12
	3.42	10.16
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	0.91	0.43
The amount of interest accrued and remaining unpaid at the end of each accounting year, for payment already made	2.14	1.23
The amount of further interest remaining due and payable even in the earlier years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	64.92	45.86

Total Oustanding dues of micro and small enterprises is INR 5.56 (March 31, 2020: INR 11.39).

(Amounts in INR Crores, unless otherwise stated)

31. Fair value

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the group's assets and liabilities:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021

	As of March 31, 2021	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investment in equity shares	24.79	-	-	24.79
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	4.00	-	-	4.00
Investments in Equity Shares	5.34	-	-	5.34
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	625.13	-	-	625.13

*The Holding Company has an option to covert into equity shares of counter party.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020

	As of March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investments in Equity Shares	7.55	-	-	7.55
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	59.67	-	-	59.67
Investments in Equity Shares	13.20	-	-	13.20
Investment in Mutual Funds	2,226.54	2,226.54	-	-
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	585.19	-	-	585.19

*The Holding Company has an option to covert into equity shares of counter party.

The Group has assessed that fair value of all other financial assets and liabilities including cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, other financial assets, investments, trade payables, lease liabilities, borrowings and other financial liabilities, approximate their carrying amounts.

(Amounts in INR crores, unless otherwise stated)

32. Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

(i) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, being a 0.5% increase or decrease in interest rate, with all other variables held constant, of the Group's loss before tax due to the impact on floating rate borrowings.

As at	March 31, 2021	March 31, 2020
Effect on loss before tax:		
Decrease by 50 bps	(2.72)	(1.04)
Increase by 50 bps	2.72	1.04

Other financial assets and liabilities of the Group are either non-interest bearing or fixed interest bearing instruments, the Group's net exposure to interest risk on such instruments is negligible.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Group's borrowings while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Price risk

The Group invests its surplus funds in various debt instruments and debt mutual funds. These comprise of primarily liquid schemes of mutual funds (liquid investments), debentures and fixed deposits. All mutual fund investments are in liquid scheme only.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.
Set out below is the impact of a 0.25% movement in the NAV of mutual funds and debt instruments on the Group's loss before tax:

	Change in NAV	Effect on loss before tax
March 31, 2021	0.25%	(0.37)
	-0.25%	0.37
March 31, 2020	0.25%	(7.97)
	-0.25%	7.97

The Group's is also exposed to equity/ preference shares price risk arises from investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss (refer note 6(a) and 6(b)). To manage its price risk arising from investments in equity/preference shares, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(iii) Foreign currency risk

The Indian Rupee is the Group's most significant currency. As a consequence, the Group's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The carrying amounts of the Group's financial assets and liabilities denominated in United States Dollar (USD) are as follows:

	As at March 31, 2021		As at March 31, 2020	
	Financial assets	**Financial liabilities**	**Financial assets**	**Financial liabilities**
Amount in USD Crores	0.08	0.32	0.26	0.33
Total	**0.08**	**0.32**	**0.26**	**0.33**

(Amounts in INR crores, unless otherwise stated)

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in USD and exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on loss before tax
March 31, 2021	10% strengthening of USD against INR	1.97
	10% weakening of USD against INR	(1.61)
March 31, 2020	10% strengthening of USD against INR	0.56
	10% weakening of USD against INR	(0.46)

The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

b. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

All of the Group investments and loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(i) Trade receivables

The Group is exposed to credit risk in the event of non-payment by customers. Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date by grouping the receivables in homogeneous group. The calculation is based on lifetime expected credit losses.

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2021

Ageing	**0-1 year**	**1-2 year**	**2-3 year**	**>3 year**	**Specific**	**Total**
Gross carrying amount- trade receivables	354.31	28.57	13.00	23.52	51.04	470.44
Expected credit losses (Loss allowance provision)- trade receivables	28.64	18.14	11.70	21.66	51.04	131.18
Carrying amount of trade receivables (net of impairment)	325.67	10.43	1.30	1.86	-	339.26

(Amounts in INR crores, unless otherwise stated)

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2020

Ageing	**0-1 year**	**1-2 year**	**2-3 year**	**>3 year**	**Specific**	**Total**
Gross carrying amount- trade receivables	311.75	19.11	8.59	18.54	58.86	416.85
Expected credit losses (Loss allowance provision)- trade receivables	26.44	8.27	7.01	15.32	58.86	115.90
Carrying amount of trade receivables (net of impairment)	285.31	10.84	1.58	3.22	-	300.95

Reconciliation of loss allowance	**Loss allowance measured at 12 month expected loss**
Loss allowance as on April 1, 2019	**84.71**
Creation during the year#	31.19
Loss Allowance as on March 31, 2020	**115.90**
Creation during the year#	15.28
Loss Allowance as on March 31, 2021	**131.18**

The above total includes foreign currency adjustments as applicable for each year.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security.

(ii) Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group’s treasury department in accordance with the Group’s policy. Investment of surplus funds is made only with banks of high repute.

The Group’s maximum exposure to credit risk for the components of the balance sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as illustrated in Note 6.

Reconciliation of loss allowance	**Loss allowance measured at 12 month expected loss**
Loss allowance as on April 1, 2019	**20.95**
Creation during the year#	2.28
Loss Allowance as on March 31, 2020	**23.23**
Creation during the year#	27.18
Loss Allowance as on March 31, 2021	**50.41**

The above total includes foreign currency adjustments as applicable for each year.

(Amounts in INR crores, unless otherwise stated)

c. Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans etc. Group monitor their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Group also monitors compliance with its debt covenants. The maturity profile of the Group's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	0-180 days	181-365 days	1-2 Year	More than 2 year	Total
As at March 31, 2021					
Borrowings	544.90	-	-	-	544.90
Lease liabilities	13.61	13.93	20.13	52.04	99.71
Trade payables	605.22	-	-	-	605.22
Other financial liabilities	515.28	-	-	-	515.28
Total	**1,679.01**	**13.93**	**20.13**	**53.04**	**1,765.11**
As at March 31, 2020					
Borrowings	200.48	7.66	-	-	208.14
Lease liabilities	25.93	28.46	55.25	200.64	310.28
Trade payables	611.59	-	-	-	611.59
Other financial liabilities	233.83	-	-	-	233.83
Total	**1,071.83**	**36.12**	**55.25**	**200.64**	**1,363.84**

33. Capital Management

The Group's objectives while managing capital is to safeguard its ability to continue as a going concern and to generate adequate returns for its shareholders and ensuring benefits for other stakeholders. The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Group's capital management objective is to remain majorly a debt-free Group till the time it achieves break-even. In order to meet this objective, Group meets anticipated funding requirements for developing new businesses, expanding its geographical base, entering in to strategic mergers and acquisitions and other strategic investments, by issuance of equity capital together with cash generated from Group's operating and investing activities. The Group utilizes certain working capital facilities in the form of short term bank overdraft and term loans to meet anticipated interim working capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

34. Segment Reporting

During the year, the Group has reassessed the basis of segment reporting. This reassessment has been necessitated by the change in business strategy over the period, increased interdependency between various service lines, increased fungibility of resources/common cost, change in the way Board of Directors (Chief Operating Decision Maker "CODM") review the Group's performance etc.. Until the previous year the Group disclosed four reportable segments that were Payment, Commerce, Cloud and others.

In line with the above shift in business strategy and the consequent change in the way the CODM reviews the performance, management of the Group has aligned segment disclosure to the above change. Further, it has been concluded that though there are different business units/entities of the Group, including Payment and Financial services, Commerce and cloud services, information reviewed by the CODM is at the revenue level and the Group does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units.

CODM reviews results of Subsidiaries, associates and Joint Ventures of the Group on consolidated basis and considering the nature of business operations of these entities, these are reviewed as either Payment and Financial services or commerce and cloud services.

The CODM reviews domestic and international subsidiaries, joint venture as part of commerce and cloud business. Associates in the banking and financial services business is reviewed as part of Payment and Financial Services business. These are reviewed as part of single segment.

Accordingly, it has been assessed that Group operates in a single operating as well as Reportable Segment.

The Group has revenues primarily from customers domiciled in India. Substantially all of the Group's non-current operating assets are domiciled in India.

Information about major customers

Revenues of INR 863.39 are derived from one external customer (March 31, 2020: INR 1,522.56 from two external customers).

(Amounts in INR Crores, unless otherwise stated)

35. Additional information

For the year ended March 31, 2021

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent								
One97 Communications Limited	107.19 %	6,984.51	91.72 %	(1,560.20)	51.21 %	(1.54)	91.65 %	(1,561.74)
Adjustment due to consolidation	(22.89)%	(1,491.61)	(2.76)%	46.92	38.92 %	(1.17)	(2.68)%	45.75
Subsidiaries								
Indian								
One97 Communications India Limited	1.27 %	82.62	(0.00)%	0.03	0.05 %	*	(0.00)%	0.03
Paytm Entertainment Limited	3.44 %	224.18	(0.08)%	1.44	0.00 %	*	(0.08)%	1.44
Paytm Money Limited	0.75 %	48.95	4.82 %	(81.94)	6.30 %	(0.19)	4.82 %	(82.13)
Wasteland Entertainment Private Limited	0.38 %	24.58	1.43 %	(24.28)	6.14 %	(0.18)	1.44 %	(24.46)
Urja Money Private Limited (Including step down subsidiary)	(0.02)%	(1.17)	0.22 %	(3.66)	(1.93)%	0.06	0.21 %	(3.60)
Mobiquest Mobile Technologies Private Limited (Including step down subsidiary)	0.11 %	6.92	(0.01)%	0.23	1.81 %	(0.05)	(0.01)%	0.18
Little Internet Private Limited (Including step down subsidiary)	(0.45)%	(29.02)	0.46 %	(7.85)	(2.95)%	0.09	0.46 %	(7.76)
Orbgen Technologies Private Limited	0.15 %	9.79	0.75 %	(12.72)	(5.99)%	0.18	0.74 %	(12.54)
Paytm Payments Services Limited (w.e.f October 10, 2020)	0.76 %	49.37	0.04 %	(0.63)	-	-	0.04 %	(0.63)
Paytm Insurance Broking private limited	0.63 %	41.24	1.88 %	(31.99)	2.21 %	(0.07)	1.88 %	(32.06)
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	0.04 %	2.61	0.09 %	(1.45)	(0.20)%	0.01	0.08 %	(1.44)
Foreign								
One97 Communications Singapore Private Limited (Including step down subsidiary)	2.14%	139.70	(2.82)%	48.04	-	-	(2.82)%	48.04
One97 Communications FZ-LLC	0.13%	8.24	(0.38)%	6.54	-	-	(0.38)%	6.54
One97 Communications Nigeria Limited	(0.21)%	(13.75)	0.03 %	(0.48)	-	-	0.03 %	(0.48)
One97 USA Inc.	0.01%	0.54	0.01 %	(0.22)	-	-	0.01 %	(0.22)
Non controlling interests in subsidiaries	(0.29)%	(18.59)	0.29 %	(4.94)	(1.72)%	0.05	0.29 %	(4.89)
Interest in Associate (Investments as per equity method)								
Indian								
Paytm Payments Bank Limited	7.40%	482.45	(0.55)%	9.39	5.90 %	(0.18)	(0.54)%	9.21
Paytm General Insurance Limited	(0.09)%	(5.96)	0.03 %	(0.49)	-	-	0.03 %	(0.49)
Paytm Life Insurance Limited	0.00%	0.07	0.00 %	(0.01)	-	-	0.00 %	(0.01)
Infinity Transoft Private Limited	(0.10)%	(6.24)	0.06 %	(1.01)	-	-	0.06 %	(1.01)
Eatgood Technologies Private Limited	0.12%	7.94	0.21 %	(3.49)	-	-	0.20 %	(3.49)
Paytm Financials Services Limited	0.14%	9.08	0.00 %	(0.06)	-	-	0.00 %	(0.06)
Paytm Insuretech Private Limited	0.03%	1.99	-	-	-	-	-	-
Interest in Joint Venture (Investments as per equity method)								
Paytm First Games Private Limited (Formerly known as Gamepind Entertainment Private Limited)	(0.65)%	(42.21)	4.59 %	(78.15)	0.26 %	(0.01)	4.59 %	(78.16)
	100.00%	**6,516.21**	**100.00%**	**(1,701.01)**	**100.00%**	**(3.00)**	**100.00%**	**(1,704.01)**

* Below rounding off norms, adopted by the Group

During the current year, the Group ceased to have significant influence over the entity.

(Amounts in INR Crores, unless otherwise stated)

For the year ended March 31, 2020

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive	Amount
Parent								
One97 Communications Limited	103.96 %	8,411.45	96.29 %	(2,833.18)	51.78 %	(0.50)	96.28 %	(2,833.68)
Adjustment due to consolidation	(15.79)%	(1,277.89)	(9.33)%	274.40	69.99 %	(0.67)	(9.30)%	273.72
Subsidiaries								
Indian								
One97 Communications India Limited	1.02 %	82.55	(0.01)%	0.25	-	-	(0.01)%	0.25
Paytm Financial Services Limited	0.03 %	2.13	0.00%	0.01	-	-	0.00%	0.01
Paytm Entertainment Limited	1.74 %	140.58	0.01 %	(0.19)	-	-	0.01 %	(0.19)
Paytm Money Limited	0.40 %	32.12	3.14 %	(92.42)	3.91 %	(0.04)	3.14 %	(92.46)
Wasteland Entertainment Private Limited	0.31 %	25.47	1.02 %	(29.88)	(12.89)%	0.12	1.01 %	(29.76)
Urja Money Private Limited (Including step down subsidiaries)	0.05 %	4.15	0.17 %	(5.12)	(1.84)%	0.02	0.17 %	(5.10)
Mobiquest Mobile Technologies Private Limited (Including step down subsidiaries)	(0.03)%	(2.63)	0.03 %	(0.94)	(5.34)%	0.05	0.03 %	(0.89)
Little Internet Private Limited (Including step down subsidiaries)	(0.18)%	(14.87)	5.51 %	(162.10)	10.97 %	(0.11)	5.51 %	(162.21)
Orbgen Technologies Private Limited	0.17 %	13.89	0.96 %	(28.25)	(25.89)%	0.25	0.95 %	(28.00)
QoRQL Private Limited	(0.01)%	(0.50)	0.00 %	(0.09)	-	-	0.00 %	(0.09)
Paytm Insurance Broking private limited	0.02 %	1.40	0.15 %	(4.30)	(0.68)%	0.01	0.15 %	(4.29)
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	0.01 %	0.77	(0.02)%	0.66	3.49 %	(0.03)	(0.02)%	0.63
Foreign								
One97 Communications Singapore Private Limited (Including step down subsidiaries)	0.94%	75.94	(3.35)%	98.43	-	-	(3.34)%	98.43
One97 Communications FZ-LLC	0.02%	1.83	(0.06)%	1.74	-	-	(0.06)%	1.74
One97 Communications Nigeria Limited	(0.17)%	(13.80)	0.17 %	(5.05)	-	-	0.17 %	(5.05)
One97 USA Inc.	0.01%	0.78	0.01 %	(0.17)	-	-	0.01 %	(0.17)
					-			
Non controlling interests in subsidiaries	-0.17%	(14.03)	3.41 %	(100.19)	1.30 %	(0.01)	3.40 %	(100.19)
Interest in Associate (Investments as per equity method)								
Indian								
Paytm Payments Bank Limited	5.50%	445.21	(0.05)%	1.33	5.19 %	(0.05)	(0.04)%	1.28
Paytm General Insurance Limited	0.00%	(0.09)	0.02 %	(0.49)	-	-	0.02%	(0.49)
Paytm Life Insurance Limited	0.00%	0.08	0.00%	(0.01)	-	-	0.00%	(0.01)
Infinity Transoft Private Limited	0.10%	8.11	0.01 %	(0.36)	-	-	0.01%	(0.36)
Eatgood Technologies Private Limited	0.13%	10.63	0.11 %	(3.27)	-	-	0.11%	(3.27)
Interest in Joint Venture (Investments as per equity method)								
Paytm First Games Private Limited (Formerly known as Gamepind Entertainment Private Limited)	1.95 %	157.95	1.81 %	(53.17)	-	-	1.81 %	(53.17)
	100.00%	**8,091.23**	**100.00%**	**(2,942.36)**	**100.00%**	**(0.96)**	**100.00%**	**(2,943.32)**

* Below rounding off norms, adopted by the Group

(Amounts in INR crores, unless otherwise stated)

36. Impairment review of goodwill and other intangible assets arising on Consolidation

The Group monitors the business of the respective acquisitions independently and thus considers each acquisition as a separate Cash Generating Unit ('CGU').

Carrying amount of Goodwill (net of impairment):-

Cash Generating Unit	As at March 31, 2021	As at March 31, 2020
Orbgen Technologies Private Limited	16.36	16.36
Wasteland Entertainment Private Limited	20.19	20.19
Mobiquest Mobile Technologies Private Limited	6.80	6.80
Urja Money Private Limited	3.35	3.35
Total	**46.70**	**46.70**

The Group reviews the goodwill for any impairment at the CGU level. The recoverable amount of the above CGUs are based on value-in-use, which is determined based on five year business plans that have been approved by the management for internal purposes. The said planning horizon of five years reflects the assumptions for short to medium-term market developments. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- Earnings before interest and taxes margins ('EBIT')
- Discount rate
- Growth rates

EBIT margins: The margins have been estimated based on past experience after considering incremental revenue arising out of increase in payment business from the existing and new customers. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; whereas, factors like increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to the CGU estimated based on the weighted average cost of capital. Pre-tax discount rate used ranged from 20% to 25% (March 31, 2020 15% to 25%) which in the opinion of management are consistent with companies in similar business.

Growth rates: The terminal growth rates used are in the opinion of management in line with the long-term average growth rates of the respective industry in which the entity operates and are consistent with the internal/external sources of information. The terminal growth rates used in extrapolating cash flows beyond the planning period, range from 1.5 to 2.5 times (March 31, 2020 - 1.28 to 2 times) of revenue for the terminal year.

(Amounts in INR crores, unless otherwise stated)

Goodwill and Other Intangibles assets Impairment –

During the year ended March 31, 2021, no additional impairment is required based on above-mentioned analysis.

During the year ended March 31, 2020, the goodwill and other intangible assets on consolidation impaired based on above mentioned analysis. Also deferred tax liability outstanding on intangible assets was reversed based on above mentioned analysis.

Below are the tables showing the value of goodwill and other intangibles impaired for the subsidiaries.

Impairment of Goodwill

Particulars	As at March 31, 2021	As at March 31, 2020
Little Internet Private Limited	-	230.87
Orbgen Technologies Private Limited	-	15.45
Total	**-**	**246.32**

Impairment of Intangible assets

Particulars	As at March 31, 2021	As at March 31, 2020
Little Internet Private Limited	-	34.82
Orbgen Technologies Private Limited	-	3.27
Total	**-**	**38.09**

Reversal of Deferred tax liability on Intangible assets

Particulars	As at March 31, 2021	As at March 31, 2020
Little Internet Private Limited	-	11.83
Orbgen Technologies Private Limited	-	1.11
Total	**-**	**12.94**

(This space is intentionally left blank)

(Amounts in INR crores, unless otherwise stated)

37. Transactions with Non-controlling Interests

During the year, the Group acquired additional 10.81% stake for INR 9.32 in Mobiquest Mobile Technologies Private Limited. As on March 31, 2021 the Group holds 65.71% (March 31, 2020- 54.90%) in Mobiquest Mobile Technologies Private Limited. The Group had 54.90% stake in Mobiquest Mobile Technologies Private Limited immediately prior to purchase. The Group recognised a decrease in non-controlling interests of INR (0.33) and a decrease in equity attributable to owners of the parent of INR 0.33. The effect on the equity attributable to the owners of One97 Communications Limited during the year is summarised in the below table.

	31-Mar-21	31-Mar-20
Carrying amount of non-controlling interests acquired	(0.33)	-
Consideration paid to non-controlling interests	-	-
Excess of consideration paid recognised in retained earnings within equity	(0.33)	-

During the year, the Group % of holding in Wasteland Entertainment Private Limited diluted on account of exercise of ESOP by employees by 4.07% stake. The Holding Company purchased these shares for INR 6.28 and shareholding as on March 31, 2021: 100% (March 31, 2020: 100%).

	31-Mar-21	31-Mar-20
Carrying amount of non-controlling interests acquired	1.24	-
Consideration paid to non-controlling interests	6.27	-
Excess of consideration paid recognised in retained earnings within equity	(5.03)	-

During previous year, the Group acquired further 5.67% stake for INR 8 on October 22, 2019. As on March 31, 2020 the Group held 67.47% stake in Urja Money Private Limited. The Group had 61.80% stake in Urja Money Private Limited immediately prior to purchase.The Group recognised a decrease in non-controlling interests of INR Nil and a decrease in equity attributable to owners of the parent of INR 8. The effect on the equity attributable to the owners of One97 Communications Limited during the year is summarised in the below table.

	31-Mar-21	31-Mar-20
Carrying amount of non-controlling interests acquired	-	*
Consideration paid to non-controlling interests	-	8.00
Excess of consideration paid	-	(8.00)

Non Controlling Interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	**Little Internet Private Limited**		**Nearbuy Internet Private Limited**	
	31 March 2021	**31 March 2020**	**31 March 2021**	**31 March 2020**
Current assets	1.31	8.33	6.73	7.06
Current liabilities	4.61	7.99	21.37	21.22
Net current assets	**(3.30)**	**0.34**	**(14.66)**	**(14.16)**
Non-Current assets	0.22	0.73	1.25	10.83
Non-Current liabilities	9.74	3.92	2.79	8.69
Net non-current assets	**(9.52)**	**(3.19)**	**(1.54)**	**2.14**
Net assets	**(12.82)**	**(2.85)**	**(16.20)**	**(12.01)**
Accumulated NCI	**(16.40)**	**(11.75)**	#	#

Summarised statement of profit and loss	**Little Internet Private Limited**		**Nearbuy Internet Private Limited**	
	31 March 2021	**31 March 2020**	**31 March 2021**	**31 March 2020**
Revenue	-	1.50	7.95	24.92
Loss for the year	(8.34)	(282.05)	(10.77)	(7.52)
Other comprehensive income / (loss)	0.01	(0.04)	0.11	(0.13)
Total comprehensive income	**(8.33)**	**(282.09)**	**(10.66)**	**(7.65)**
Loss allocated to NCI	(4.71)	(97.14)	#	#

Accumulated NCI and Profit allocated to NCI of Little Internet Private Limited includes accumulated NCI and profit allocated for Nearbuy Internet Private Limited.

Summarised cash flows	**Little Internet Private Limited**		**Nearbuy Internet Private Limited**	
	31 March 2021	**31 March 2020**	**31 March 2021**	**31 March 2020**
Net cash used in operating activities	(0.09)	(3.22)	(4.92)	1.71
Net cash flows/used in investing activities	0.96	(4.08)	(1.20)	1.00
Net cash flows from financing activities	-	7.00	5.44	0.03
Net increase/ (decrease) in cash and cash equivalents	**0.87**	**(0.30)**	**(0.68)**	**2.75**

* Below rounding off norms, adopted by the Group.

(Amounts in INR crores, unless otherwise stated)

38. Details of Transactions and outstanding balances of Paytm E-Commerce Private Limited (PEPL) with Holding Company

Details of transactions entered during the year

	March 31, 2021	March 31, 2020
Rendering of services to PEPL	134.40	392.06
Other operating revenue - Recovery of marketing expense	-	255.26
Reimbursement of expenses incurred on behalf of PEPL	31.43	114.09
Interest Income on unwinding of Discount	11.01	22.13
Services received from PEPL	24.24	50.00
Sale of Property, Plant & Equipment	-	0.19
Purchase of Property, Plant & Equipment	-	0.45

Details of outstanding balances

	March 31, 2021	March 31, 2020
Other Financial Assets*	639.41	693.83
Trade payables	20.19	-
Other Financial Liability	5.79	7.15
Contract liabilities	520.60	622.49
Trade Receivable	7.72	19.32

*Other receivable from other parties given in Note 6 (d) of the financial statements includes derivative assets of INR 5.58 (March 31, 2020 INR 20.93). The same is not included in the above reported balances.

39. Overdue outstanding foreign currency receivable and payable

As of March 31, 2021, the Holding Company has certain foreign currency payable balances aggregating to INR 0.01 and INR 0.16 which are outstanding for more than twelve months (extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years respectively. The Holding Company had applied to the Authorized Dealer seeking permission for extension of time period for settlement of the payables. Further, during this year, the Holding Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 0.06 and INR 0.11 respectively and approval is currently awaited.

As of March 31, 2021, the Group also has certain foreign currency receivable balances aggregating to INR 9.11 and INR 20.71 which are outstanding for more than fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years respectively. The Group has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020, filed by the Holding Company. Further, an application has been made by Holding Company to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of receivable balances amounting to INR 19.90 and write off of receivable balances amounting to INR 9.36 and approval is currently awaited.

Management does not expect any material financial implication on account of the delay under existing regulations.

40. Transfer pricing

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961/applicable regulations. For this purpose, the Group has appointed independent consultants for conducting Transfer Pricing Study. Management is of the opinion that its international transactions with associated enterprises have been undertaken at arms' length basis at duly negotiated prices on usual commercial terms. The transfer pricing study of the Holding Company for the year ended March 31, 2020 has been completed which did not result in any material adjustment.

41. Notes given by the subsidiaries in their respective standalone financial statements

a) Nearbuy India Private Limited:

"The Company is primarily engaged in the business of developing local commerce marketplace that connects merchants to customers by offering services and goods of merchants. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the Company's operations have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize post lockdown. The Company is also strategizing to enhance its service offering verticals and other measures to scale up its business. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements."

b) Wasteland India Private Limited:

"The Company is in the business of being a market place to sell tickets for live events through its portal www.insider.in and conduct partnership events. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the operations of the Company have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize in near future. The Company is strategizing to enhance/explore its service offering verticals other measures to scale up its business. Although, there is revival in the economic activities and businesses across several sectors, there is limited business activity in relation Company's regular operations on account of sector specific restrictions continued by the Government.

Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID 19 on the financial statements may differ from that estimated as at the date of approval of these financial statements."

c) Paytm Entertainment Limited:

"The Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, Management has stated that this position is temporary in nature and arose on account of interest on short term loan amounting to INR 80.92 given to its Joint Venture Company, Paytm First Games Private Limited (PFG) on account of a commercial exigency and sudden business needs owing to the ongoing pandemic and this loan is due for repayment in the month of June, 2021 ("One Time Short-Term Loan"). The loan was a one-off loan and is not a part of the ordinary course of business of the Company. It is also not intended that this would be a systemic practice going forward. Out of the above said loan, INR 25 has already been repaid back by the borrower on May 25, 2021 and the Company expects PFG to pay the balance amount of loan along with interest on such loan by the end of June, 2021, such that the loan would be extinguished. Since the Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application dated May 26, 2021 with the RBI seeking dispensation from registration as NBFC."

42. Corporate Social Responsibilities (CSR) expenditure

The Holding Company has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per section 135 of the Act which was required to be spent on CSR activities in the current financial year by the Holding Company. However, the Group has spent an amount of INR 0.43 (March 31, 2020: INR 0.83) as CSR expenditure.

43. The Holding Company is in the process of making an application to the MCA for condonation in respect of inadvertent delay and consequential inability to e-file certain board / EGM resolutions as required under the Companies Act, 2013. In the opinion of the management, no material impact is expected on the financial statements on conclusion of the condonation process by the MCA.

44. Subsequent to the year end, the Board of directors of the Holding Company in its meeting held on May 28, 2021 have approved sub-division of existing authorised share capital of the Holding Company from INR 104.11 consisting of 104,106,600 equity shares of face value of Rs. 10 each to 1,041,066,000 equity shares of face value of Rs. 1 each and sub-division of existing issued, subscribed and paid up equity share capital of the Holding Company from INR 60.49 consisting of 60,491,485 (including 9,081 shares issued subsequent to the balance sheet date) equity shares of face value of Rs. 10 each to 604,914,850 equity shares of face value of Rs. 1 each. The above approval is subject to approval of the shareholders in general meeting as prescribed under Section 61 and other applicable sections of the Companies Act, 2013.

45. Previous year figures have been regrouped/reclassified to conform to current year classification.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Sd/-
Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: May 28, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Sd/-
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: May 28, 2021

Sd/-
Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: May 28, 2021

Sd/-
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 28, 2021

Sd/-
Arvind Kumar Singhania
Company Secretary
Place: New Delhi
Date: May 28, 2021