

Financial statements and Independent auditor's report

BTI Payments Private Limited

31 March 2015

Contents

	Page
Auditors' Report	
Balance Sheet	1
Profit and Loss Account	2
Cash Flow Statement	3
Summary of significant accounting policies and other explanatory notes	4 - 16

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
"WINGS", First Floor
16/1, Cambridge Road
Ulsoor, Bengaluru 560008
India

T +91 80 4243 0700
F +91 80 4126 1228

Independent Auditor's Report

To the Members of BTI Payments Private Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of BTI Payments Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 purpose 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 financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);



Walker Chandiook & Co LLP

- e. on the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP

(Formerly Walker, Chandiook & Co)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vijay V Singh

per **Vijay Vikram Singh**

Partner

Membership No.: 059139

Place : Bangalore

Date : 04 August 2015



Annexure to the Independent Auditor's Report of even date to the members of BTI Payments Private Limited, on the financial statements for the year ended 31 March 2015

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner 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. No material discrepancies were noticed on such verification.
- (ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) Owing to the nature of its business, the Company does not maintain any physical inventories or sell any goods. Accordingly, clause 3(iv) of the Order with respect to purchase of inventories and sale of goods is not applicable. In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase fixed assets and for the sale of services. During the course of our audit major weaknesses were noted in internal control system in respect of recording the purchase of fixed assets since there existed significant delay in collection and accounting of fixed asset purchase invoices in the accounting system; however, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



Walker Chandiook & Co LLP

Annexure to the Independent Auditor's Report of even date to the members of BTI Payments Private Limited, on the financial statements for the year ended 31 March 2015 (Cont'd)

- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Amount Paid Under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
Kerala Value Added Tax Act 2003	Tax and penalty	1,487,268	446,180	FY 2013-14	Assistant commissioner, Commercial taxes

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.
- (viii) In our opinion, the Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth. The Company has incurred cash losses in the current year and immediately preceding financial year.
- (ix) The Company no dues payable to a financial institution or debenture-holders during the year. In our opinion, the Company has not defaulted in repayment of dues to a bank during the year.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.
- (xi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

Walker Chandiook & Co LLP

For **Walker Chandiook & Co LLP**

(Formerly *Walker, Chandiook & Co*)

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Vijay V Singh

per **Vijay Vikram Singh**

Partner

Membership No.: 059139

Place : Bangalore

Date : 04 August 2015



BTI Payments Private Limited
Balance Sheet as at 31 March 2015

1

	Notes	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Equity and liabilities			
Shareholders' funds			
Share capital	3	67,832,760	56,921,960
Reserves and surplus	4	1,010,914,340	957,793,631
		<u>1,078,747,100</u>	<u>1,014,715,591</u>
Non-current liabilities			
Other long term liabilities	7	7,681,559	-
Long-term provisions	8	11,509,906	6,471,231
		<u>19,191,465</u>	<u>6,471,231</u>
Current liabilities			
Short-term borrowings	5	794,961,310	-
Trade payables	9	110,537,727	49,423,202
Other current liabilities	10	224,837,065	14,677,396
Short-term provisions	8	135,958	46,831
		<u>1,130,472,060</u>	<u>64,147,429</u>
Total		<u>2,228,410,625</u>	<u>1,085,334,251</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	11	685,738,050	83,046,607
Intangible assets	12	4,436,606	5,117,753
Capital work-in-progress		15,978,571	7,195,884
Deferred tax assets, (net)	6	-	26,032,312
Long-term loans and advances	13	62,699,956	38,768,533
Other non-current assets	14	30,700,677	-
		<u>799,553,860</u>	<u>160,161,089</u>
Current assets			
Current investments	15	11,304,826	837,140,291
Trade receivables	16	41,753,251	42,434,428
Cash and bank balances	17	1,181,320,360	34,153,693
Short-term loans and advances	13	42,405,719	11,444,750
Other current assets	18	152,072,609	-
		<u>1,428,856,765</u>	<u>925,173,162</u>
Total		<u>2,228,410,625</u>	<u>1,085,334,251</u>

Summary of significant accounting policies and other explanatory notes 2-32

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

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

Vijay V Singh

Per Vijay Vikram Singh
Partner
Membership No: 059139

For and on behalf of the Board of Directors of BTI
Payments Private Limited

K Srinivas
K Srinivas
Managing Director
DIN: 03533535

David Scott Glen
David Scott Glen
Director
DIN: 02073436

Sanjay Bajaj
Sanjay Bajaj

Company Secretary and Chief Commercial Officer

Place : Bengaluru
Date : 04 August 2015

Place : Bengaluru
Date : 04 August 2015



BTI Payments Private Limited

2

Statement of Profit and Loss for the year ended 31 March 2015

	Notes	Year ended 31 March 2015 ₹	Year ended 31 March 2014 ₹
Revenue			
Revenue from operations	20	320,885,498	211,504,974
Other income	21	118,302,661	5,418,339
Total revenue		439,188,159	216,923,313
Expenses			
Cost of services	22	318,459,146	183,723,356
Employee benefits expense	23	108,729,146	35,857,791
Finance costs	24	5,658,870	-
Depreciation and amortisation expense	25	56,746,961	15,064,731
Other expenses	26	89,529,879	38,565,205
Total expenses		579,124,002	273,211,083
Loss before tax		(139,935,843)	(56,287,770)
Tax expense			
Current tax		-	-
Deferred tax		(26,032,312)	15,941,762
Loss for the year		(165,968,155)	(40,346,008)
Loss per equity share	27	(25.01)	(7.09)
Summary of significant accounting policies and other explanatory notes		2-32	

This is the statement of profit and loss referred to in our report of even date.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants

Vijay V Singh

Per Vijay Vikram Singh
Partner
Membership No: 059139

For and on behalf of the Board of Directors of BTI
Payments Private Limited

K Srinivas
Managing Director
DIN: 03533535

David Scott Glen
Director
DIN: 02073436

Sanjay Bajaj

Company Secretary and Chief Commercial Officer

Place : Bengaluru
Date : 04 August 2015

Place : Bengaluru
Date : 04 August 2015



BTI Payments Private Limited
Cash Flow Statement for the year ended 31 March 2015

3

	Year ended 31 March 2015 ₹	Year ended 31 March 2014 ₹
A. Cash flow from operating activities		
Net Loss before tax	(139,935,843)	(56,287,770)
Adjustments for:		
Depreciation and amortisation	56,746,961	15,064,732
Interest income	(2,921,762)	(2,189,590)
Interest expense	5,658,870	-
Provision for doubtful receivables	797,293	-
Advances written off	3,012,629	-
Provision for retirement of fixed assets	1,501,727	4,693,868
Net gain on sale of current investment	(115,379,899)	(3,140,791)
Fixed asset written off	1,239,646	2,531,084
	(49,344,535)	16,959,303
Operating loss before working capital changes	(189,280,378)	(39,328,467)
Adjustments for working capital changes		
Increase in trade receivables	(116,116)	(16,779,063)
Increase in long-term and short-term loans and advances	(50,219,101)	(1,178,000)
(Increase)/ decrease in non current assets	(30,700,677)	9,925,000
Increase in other current assets	(149,869,370)	(4,077,022)
Increase trade payables	61,114,525	29,404,559
Increase in other current and non-current liabilities	36,851,115	3,693,367
Increase in long-term and short-term provisions	5,127,803	212,159
	(127,811,820)	21,201,000
Cash used in operations	(317,092,198)	(18,127,467)
Net income tax paid	(7,685,920)	(12,138,845)
Net cash used in operating activities (A)	(324,778,118)	(30,266,312)
B. Cash flow from investing activities		
Payments for purchase of fixed assets	(489,291,206)	(44,096,025)
Proceeds on sale of current investments	837,140,291	-
Gain / (Loss) on sale of current investments	115,379,899	3,140,791
Purchase of current investments	(11,304,826)	(837,140,291)
Interest received	718,522	2,189,590
Proceeds from sale of fixed assets	-	469,513
Increase in other bank balances	(24,925,000)	-
	427,717,681	(875,436,422)
Net cash generated/ (used) from/ in investing activities (B)		
C. Cash flow from financing activities		
Proceeds from Issue of equity shares (including premium)	229,999,664	914,099,500
Proceeds from short-term borrowings, net	794,961,310	-
Interest paid	(5,658,870)	-
	1,019,302,104	914,099,500
Net cash flow from financing activities (C)		
Net increase in Cash and cash equivalents (A+B+C)	1,122,241,667	8,396,766
Cash and cash equivalents at the beginning of the year	12,578,693	4,181,927
Cash and cash equivalents at the end of the year	1,134,820,360	12,578,693
Components of cash and cash equivalents		
Cash and bank balances (Refer note 17)	1,181,320,360	34,153,693
Less: Other bank balances considered separately	(46,500,000)	(21,575,000)
	1,134,820,360	12,578,693

Summary of significant accounting policies and other explanatory information

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

Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP
(formerly Walker, Chandniok & Co)

Chartered Accountants

Vijay V Singh

Per: Vijay Vikram Singh
Partner
Membership No: 059139



Place : Bengaluru
Date : 04 August 2015

For and on behalf of the Board of Directors of
BTI Payments Private Limited

K Srinivas
Managing Director
DIN: 03533535

David Scott Glen
Director
DIN: 02073436

Sanjay Bajaj

Company Secretary and Chief Commercial Officer

Place : Bengaluru
Date : 04 August 2015



BTI Payments Private Limited

Summary of significant accounting policies and other explanatory notes

4

1. Corporate Information

BTI Payments Private Limited (formerly known as Banktech India Private Limited, the company) incorporated in India on Thirtieth day of June Two Thousand Six under the Companies Act, 1956 is a company owned by Banktech Group PTY Limited, Australia as Promoter and IDBI Trusteeship Services Ltd as Investor. The Registered office of the Company is situated at No 16/1 Wings, 4th Floor, Cambridge Road, Halasuru, Bangalore 560008.

The company is Reserve Bank of India (RBI) authorised leading White label ATM (Automated Teller Machine) Operator in India. The company also acts as a managed service provider for ATMs owned by banks and is technical services provider for banks in Point of Sale (POS) payment solution.

2. Significant accounting policies

a. Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

These financial statements are presented in ₹ and all amounts are rounded to the nearest rupee except as stated otherwise.

The Company is a Small and Medium Sized Company ('SMC') as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act. Accordingly, the Company has complied with the Accounting Standards to the extent applicable to an SMC.

b. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the consideration received/receivable, excluding discounts, rebates, and Service tax or duty. The Company assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the rendering of services, in order to determine if it is acting as a principal or as an agent.

(i) Service Revenues - Service revenues include amounts invoiced for a) Interchange fee for use of White Label ATM, b) Technical service fee for POS solution and c) Managed service fee towards management of ATMs on behalf of banks. Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes.

(ii) Interest income - Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'Other income' in the Statement of Profit and Loss.

(iii) Unbilled Revenue - Unbilled revenue represent revenue recognised in respect of services provided but bills not generated to the end of the reporting period. These are billed in subsequent periods as per the terms of the contractual arrangements.

c. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the fixed assets, provision for doubtful debts and provision for employee benefits. Any revision to accounting estimates is recognised prospectively in the current and future periods.

d. Tangible assets

Tangible Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of tangible assets are required to be replaced in intervals, the Company recognises such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss, as incurred. Capital work in progress is valued at cost.

Where assets are installed on the premises of merchants, such assets continue to be treated as tangible assets as the associated risks and rewards remain with the Company and management is confident of exercising control over them.

Gains and losses arising from retirement or disposal of the tangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in Statement of Profit and Loss on the date of retirement or disposal.

Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as other non-current assets and the cost of fixed assets not ready for their intended use before such date are disclosed as capital work-in-progress.



BTI Payments Private Limited

Summary of significant accounting policies and other explanatory notes

5

e. Depreciation and amortisation

Depreciation on tangible assets is provided on the straight line method based on useful lives of respective assets as estimated by the management or as prescribed under Schedule II of the Companies Act, 2013, whichever is higher. The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively. Depreciation for assets purchased or sold during a period is proportionately charged to Statement of Profit and Loss.

Useful lives/ depreciation rates:

Till the year ended March 31, 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets.

Estimated useful lives (in years) of the assets are as follows:

	Years
Automated Teller Machine *	10
POS terminals *	6
Plant and equipment *	5
Electrical equipment	10
Motor vehicles	8
Computer hardware	3 to 6
Furniture & fixtures	10
Leasehold improvements	Period of lease or 10 years, whichever is less
Office equipment	5
Computer software	3 to 6
Copyrights	10

* For these classes of assets, based on internal assessment and technical evaluation carried out, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

f. Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

g. Impairment of assets

The carrying amounts of assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or when annual impairment testing for an asset is required. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Fair value less costs to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Impairment losses, if any, are recognised in Statement of Profit or Loss as a component of depreciation and amortisation expense. An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

h. Lease

Finance leases, where substantially all the risks and benefits incidental to ownership of the leased item, are transferred to the Company, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged to income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.



BTI Payments Private Limited

Summary of significant accounting policies and other explanatory notes

6

i. Investment

Investment, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

Non-current investments are valued at cost. Provision is made for diminution in value to recognise a decline, if any, other than that of temporary nature.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

j. Cash and cash equivalents

Cash and cash equivalents comprises of cash at bank, cash at ATMs, cash on hand and cheques on hand and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

k. Employee benefits

i) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits such as performance incentives etc. and are recognised as expenses in the period in which the employee renders the related service.

ii) Gratuity

Gratuity is a post-employment benefit and is a defined benefit plan. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognised post service cost. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

(iii) Compensated absences

Liability in respect of leave becoming due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of actuarial valuation by an independent actuary using the projected unit credit method.

l. Performance based unit incentive

The company has developed the Performance and Retention Incentive Scheme (PRI Scheme) for select employees. PRUs are granted at a notional value (called the Start Value) determined by committee of the Company's board of directors from time to time. The PRUs that have been granted will then vest over time as long as the concerned employee remains employed with the Company. On a specific trigger event occurrence, the Company will pay the employee a bonus equal to the increase in value of the employee's vested PRUs. At the end of the each reporting period, until the liability is settled, and at the date of settlement, increase, if any, in the notional value as determined by the committee, pertaining to the vested period is recognised immediately in Statement of Profit or Loss. For such recognition, the future vesting unit's liability is also recognised on a straight line basis.

m. Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates or the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax ('MAT') paid in accordance with tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is evidence that the Company will pay normal tax within the eligible period.



BTI Payments Private Limited

Summary of significant accounting policies and other explanatory notes

7

n. Earnings / (loss) per share ('EPS')

The basic earnings per share is computed by dividing the net profit /loss attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

o. Contingent liabilities and provisions

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 recognised 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 recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.



(This space has been intentionally left blank)

Summary of significant accounting policies and other explanatory notes (Cont'd)

	As at 31 March 2015		As at 31 March 2014	
	Number	Amount ₹	Number	Amount ₹
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 each	7,500,000	75,000,000	6,000,000	60,000,000
	<u>7,500,000</u>	<u>75,000,000</u>	<u>6,000,000</u>	<u>60,000,000</u>
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	6,783,276	67,832,760	5,692,196	56,921,960
	<u>6,783,276</u>	<u>67,832,760</u>	<u>5,692,196</u>	<u>56,921,960</u>
	<u>6,783,276</u>	<u>67,832,760</u>	<u>5,692,196</u>	<u>56,921,960</u>
a) Reconciliation of share capital (Equity)				
	Number	Amount ₹	Number	Amount ₹
Balance at the beginning of the year	5,692,196	56,921,960	1,397,711	13,977,110
Add : Issued during the year	1,091,080	10,910,800	4,294,485	42,944,850
Balance at the end of the year	<u>6,783,276</u>	<u>67,832,760</u>	<u>5,692,196</u>	<u>56,921,960</u>
b) Shares held by Holding Company				
	Number	Amount ₹	Number	Amount ₹
Equity shares of ₹ 10 each				
Banktech Group PTY Limited	3,462,596	34,625,960	3,462,596	34,625,960
	<u>3,462,596</u>	<u>34,625,960</u>	<u>3,462,596</u>	<u>34,625,960</u>
c) Shareholders holding more than 5% of the shares				
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each				
Banktech Group PTY Limited	3,462,596	51%	3,462,596	61%
IDBI Trusteeship Services Limited	3,320,680	49%	2,229,600	39%
	<u>6,783,276</u>	<u>100%</u>	<u>5,692,196</u>	<u>100%</u>
d) Aggregate number of bonus share issued and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:				
There has been no issuance of bonus shares or issuance of shares for consideration other than cash or buy back of shares during the period from the date of incorporation upto 31 March 2015.				
e) Rights, preferences and restrictions:				
The Company has one class of equity shares having a face value of ₹ 10 per share. Each holder of the equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except for interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their holdings.				
4 Reserves and surplus				
		As at 31 March 2015 ₹	As at 31 March 2014 ₹	
Securities premium account				
Balance at the beginning of the year		1,024,058,740	145,998,490	
Add : Additions made during the year		219,088,864	878,060,250	
Balance at the end of the year		<u>1,243,147,604</u>	<u>1,024,058,740</u>	
Deficit in the Statement of profit and loss				
Accumulated deficit at the beginning of the year		(66,265,109)	(25,919,101)	
Add : Loss for the year		(165,968,155)	(40,346,008)	
Accumulated deficit at the end of the year		<u>(232,233,264)</u>	<u>(66,265,109)</u>	
	Total	<u>1,010,914,340</u>	<u>957,793,631</u>	



Summary of significant accounting policies and other explanatory notes (Cont'd)

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹	Short term ₹	Long term ₹	Short term ₹
5 Borrowings				
(Secured)				
Working capital loan from banks	-	794,961,310	-	-
	<u>-</u>	<u>794,961,310</u>	<u>-</u>	<u>-</u>

Details of security for each type of borrowings

(a) Working capital loans from banks (Overdraft Facilities) are secured by exclusive charge on Cash lying in ATM and on the Cash dispensed recoverable from National Payments Corporation of India (NPCI) pertaining to specific ATMs, identified for the respective banks.

(b) The interest on the above facility from banks are linked to the respective bank base rates which are floating in nature. As on the balance sheet date, the interest rates per annum ranges between 10.75% to 11.05% (31 March 2014 : NIL)

	As at 31 March 2015 ₹	As at 31 March 2014 ₹
6 Deferred taxes		
Deferred tax liabilities		
Deferred tax liability on depreciation and amortisation	7,390,414	-
	<u>7,390,414</u>	<u>-</u>
Deferred tax assets		
Carry forward losses	-	26,032,312
Provision for bad and doubtful debts	593,732	-
Provision for employee benefits	5,233,473	-
Lease equalisation reserve	1,563,209	-
	<u>7,390,414</u>	<u>26,032,312</u>
Deferred tax asset/(liability)	<u>-</u>	<u>26,032,312</u>
7 Other long term liabilities		
Lease equalisation reserve	7,681,559	-
	<u>7,681,559</u>	<u>-</u>



(This space has been intentionally left blank)

Summary of significant accounting policies and other explanatory notes (Cont'd)

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹	Short term ₹	Long term ₹	Short term ₹
8 Provisions				
Employee benefits				
Gratuity	2,139,878	48,988	1,795,192	46,831
Compensated absences	1,107,768	86,970	-	-
Performance incentive scheme	1,971,887	-	-	-
Retirement of fixed assets	6,290,373	-	4,676,039	-
	11,509,906	135,958	6,471,231	46,831

Employee benefits

The Company has recorded provision for gratuity and compensated absences (defined benefit plan) as per actuarial valuation carried out by an independent actuary on the Balance Sheet date. The assumptions used in the above valuation is as under:

	As at 31 March 2015	As at 31 March 2014
i) Discount rate	7.75%	9.00%
ii) Future salary increase	10.00%	25.00%
iii) Rate of return on plan assets	-	-
iv) Retirement age (years)	58	58
v) Mortality table	IALM (2006-08)	IALM (2006-08)
vi) Attrition rate	withdrawal rate (%)	withdrawal rate (%)
Upto to 30 years	21.40%	10.00%
From 31 to 44 years	7.10%	10.00%
Above 44 years	-	10.00%

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

9 Trade payables

Dues to micro and small enterprises (Also, refer note (a) below)

Dues to others

Accrued expenses

	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Dues to micro and small enterprises (Also, refer note (a) below)	-	-
Dues to others	18,652,445	49,423,202
Accrued expenses	91,885,282	-
	110,537,727	49,423,202

a) The Company has requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. In the absence of confirmations from the suppliers, disclosures, if any, relating to unpaid amounts as at the year end together with interest paid/ payable as required under the said Act have not been given.

10 Other current liabilities

Application money received for allotment of securities and due for refund

Book overdrafts

Security deposit from vendors

Dues to employees

Accrued expenses

Accrued capital creditors

Statutory dues payable

	As at 31 March 2015 ₹	As at 31 March 2014 ₹
Application money received for allotment of securities and due for refund	1,902,017	8,190,242
Book overdrafts	15,222,986	-
Security deposit from vendors	4,094,026	-
Dues to employees	11,581,314	-
Accrued expenses	3,058,786	1,524,560
Accrued capital creditors	180,990,111	-
Statutory dues payable	7,987,825	4,962,594
	224,837,065	14,677,396



(This space has been intentionally left blank)

BTI Payments Private Limited

Summary of significant accounting policies and other explanatory notes (Cont'd)

11

11 Tangible assets

Gross block	Automated Teller Machine (ATM)	POS terminals	Plant and equipment	Electrical equipment	Motor vehicles	Computer hardware	Furniture and fixtures	Leasehold improvements	Office equipment	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Balance as at 01 April 2013	6,891,981	56,346,382	782,356	367,250	4,762,716	2,923,806	216,465	10,916,696	962,700	84,170,352
Additions	8,520,064	10,370,176	3,841,873	2,065,476	-	4,419,050	-	5,490,455	558,104	35,265,198
Adjustments	-	715,516	-	-	-	-	-	-	-	715,516
Disposals	(1,418,844)	(37,564)	-	(162,800)	(2,417,358)	(491,032)	-	(2,267,655)	(61,800)	(6,857,053)
Balance as at 31 March 2014	13,993,201	67,394,510	4,624,229	2,269,926	2,345,358	6,851,824	216,465	14,139,496	1,459,004	113,294,013
Additions	331,691,560	40,846,723	132,903,580	-	-	2,496,205	-	151,356,910	24,000	659,318,978
Disposals	-	-	-	-	-	-	-	(1,427,212)	-	(1,427,212)
Balance as at 31 March 2015	345,684,761	108,241,233	137,527,809	2,269,926	2,345,358	9,348,029	216,465	164,069,194	1,483,004	771,185,779
Accumulated depreciation										
Balance as at 01 April 2013	2,158,235	12,024,834	533,872	83,273	1,724,980	1,157,122	48,621	668,831	127,916	18,527,684
Depreciation charge	1,867,748	9,834,617	266,600	59,888	303,274	643,389	13,702	780,805	52,105	13,822,136
Adjustments	-	226,749	-	-	-	-	-	-	-	226,749
Reversal on disposal of assets	(1,184,374)	(19,735)	13,438	(41,719)	(772,491)	(154,061)	-	(169,841)	(362)	(2,329,165)
Balance as at 31 March 2014	2,841,609	22,066,465	813,910	101,442	1,255,763	1,646,460	62,323	1,279,795	179,639	30,247,406
Depreciation charge	12,712,597	14,404,647	9,555,436	234,629	425,272	2,053,363	26,378	15,324,899	650,668	55,387,889
Reversal on disposal of assets	-	-	-	-	-	-	-	(187,566)	-	(187,566)
Balance as at 31 March 2015	15,554,206	36,471,112	10,369,346	336,071	1,681,035	3,699,823	88,701	16,417,128	830,307	85,447,729
Net block										
Balance as at 31 March 2014	11,151,592	45,328,045	3,810,319	2,168,484	1,089,595	5,205,364	154,142	12,859,701	1,279,365	83,046,607
Balance as at 31 March 2015	330,130,555	71,770,121	127,158,463	1,933,855	664,323	5,648,206	127,764	147,652,066	652,697	685,738,050



Summary of significant accounting policies and other explanatory notes (Cont'd)

12 Intangible assets

Gross block	Computer software	Copyrights	Total
	₹	₹	₹
Balance as at 01 April 2013	5,640,417	-	5,640,417
Additions	2,033,381	-	2,033,381
Disposals	-	-	-
Balance as at 31 March 2014	7,673,798	-	7,673,798
Additions	660,425	17,500	677,925
Disposals	-	-	-
Balance as at 31 March 2015	8,334,223	17,500	8,351,723
Accumulated amortisation			
Balance as at 01 April 2013	1,540,201	-	1,540,201
Amortisation charge	1,015,844	-	1,015,844
Balance as at 31 March 2014	2,556,045	-	2,556,045
Amortisation charge	1,357,322	1,750	1,359,072
Balance as at 31 March 2015	3,913,367	1,750	3,915,117
Net block			
Balance as at 31 March 2014	5,117,753	-	5,117,753
Balance as at 31 March 2015	4,420,856	15,750	4,436,606

13 Loans and advances

(Unsecured, considered good)

	As at 31 March 2015		As at 31 March 2014	
	Long term ₹	Short term ₹	Long term ₹	Short term ₹
Security deposits	17,031,785	-	3,798,912	-
Capital advances	3,012,630	-	-	-
Advance income tax	42,655,541	-	34,969,621	-
Employee advances	-	633,001	-	144,400
Prepaid expenses	-	6,906,927	-	6,390,815
Duties and taxes recoverable	-	34,365,791	-	4,409,535
Other advances	-	500,000	-	500,000
	62,699,956	42,405,719	38,768,533	11,444,750



(This space has been intentionally left blank)

Summary of significant accounting policies and other explanatory notes (Cont'd)

	As at 31 March 2015 ₹	As at 31 March 2014 ₹
14 Other non-current assets		
Deposits with maturity of more than 12 months	30,700,677	-
	<u>30,700,677</u>	<u>-</u>
15 Current investments		
Investments in mutual funds - Quoted		
JP Morgan India short term income fund-regular plan-growth option	11,304,826	-
ICICI Prudential liquid-regular plan-growth	-	283,417,160
Reliance liquidity fund-growth plan-growth option-LQGP	-	300,000,000
HDFC cash management fund-Savings plan-growth	-	253,723,131
	<u>11,304,826</u>	<u>837,140,291</u>
Aggregate amount of Market value of quoted investments	12,072,945	896,378,714
16 Trade receivables (Unsecured) Outstanding for a period exceeding six months from the date they are due for payment Considered doubtful	1,921,464	1,124,171
	<u>1,921,464</u>	<u>1,124,171</u>
Less : Provision for doubtful receivables	(1,921,464)	(1,124,171)
	<u>-</u>	<u>-</u>
(Unsecured) Other debts Considered good	41,753,251	42,434,428
	<u>41,753,251</u>	<u>42,434,428</u>
	<u>41,753,251</u>	<u>42,434,428</u>
17 Cash and bank balances		
Cash and cash equivalents		
Balances with banks		
- in current accounts	6,702,270	12,578,693
- in deposit account (with original maturity upto 3 months)	17,250,000	-
Cash at ATM (Refer note below)	1,110,868,090	-
	<u>1,134,820,360</u>	<u>12,578,693</u>
Other bank balances		
In deposit accounts (maturity more than 3 months but less than 12 months)	46,500,000	21,575,000
Deposits with original maturity for more than 12 months	30,700,677	-
	<u>77,200,677</u>	<u>21,575,000</u>
-Less: Deposits with maturity more than 12 months disclosed under non-current assets	(30,700,677)	-
	<u>46,500,000</u>	<u>21,575,000</u>
	<u>1,181,320,360</u>	<u>34,153,693</u>
Note: Cash at ATM is hypothecated against the working capital loan availed from banks to the extent of working capital loans drawn (Also refer note 5(a))		
18 Other current assets		
Interest accrued but not due on bank deposits	2,203,239	-
Cash dispensed recoverable	149,303,067	-
Unbilled Revenue	566,303	-
	<u>152,072,609</u>	<u>-</u>
19 Other commitments		
Bank guarantees	22,100,677	21,500,000



Summary of significant accounting policies and other explanatory notes (Cont'd)

	Year ended 31 March 2015 ₹	Year ended 31 March 2014 ₹
20 Revenue from operations		
Sale of services		
ATM managed services	182,054,098	191,334,618
POS - Technical services	67,822,350	46,322,250
White Label ATM	109,824,218	-
Revenue from operations (Gross)	359,700,666	237,656,868
Less : Service Tax	38,815,168	26,151,894
Revenue from operations (Net)	320,885,498	211,504,974
21 Other income		
Interest income	2,921,762	2,189,590
Net gain on sale of current investments	115,379,899	3,140,791
Miscellaneous	1,000	87,958
	118,302,661	5,418,339
22 Cost of services		
ATM running cost	29,623,194	18,029,329
Security and housekeeping expenses	71,448,776	68,514,312
Switching and connectivity expenses	47,151,361	19,779,842
Cash delivery and loading expenses	89,845,048	57,703,407
Sponsor bank charges	15,213,562	-
Power and fuel	21,172,246	7,468,848
Rent	44,004,959	12,227,618
	318,459,146	183,723,356
23 Employee benefits expense		
Salaries, wages and bonus	97,517,261	26,813,622
Gratuity expenses	652,833	466,510
Contribution to provident and other funds	4,047,836	707,812
Staff welfare expenses	6,511,216	7,869,847
	108,729,146	35,857,791
24 Finance costs		
Interest Expense	5,658,870	-
	5,658,870	-
25 Depreciation and amortisation expense		
Depreciation of tangible assets (Also, refer note 11)	55,387,889	14,048,887
Amortisation of intangible assets (Also, refer note 12)	1,359,072	1,015,844
	56,746,961	15,064,731



(This space has been intentionally left blank)

Summary of significant accounting policies and other explanatory notes (Cont'd)

	Year ended 31 March 2015 ₹	Year ended 31 March 2014 ₹
26 Other expenses		
Repairs and maintenance		
- Plant and equipment	8,233,214	3,236,251
- Others	1,223,079	2,156,943
Insurance	1,386,331	345,892
Rent	4,765,638	1,266,656
Rates and taxes	1,410,346	1,303,238
Payments to auditors (Also, refer note 29)	600,000	175,000
Travelling and conveyance	14,460,712	5,956,404
Advertisement and marketing expenses	24,151,973	25,000
Legal and professional	16,822,090	12,019,325
Fixed assets written off	1,239,646	2,531,084
Provision for doubtful receivables	797,293	1,088,886
Advances written off	3,012,629	-
Telephone expense	2,156,915	1,470,819
Computer software maintenance	1,551,439	839,975
Newspapers, magazines & periodicals	295,172	9,045
Printing and stationary	592,475	193,593
Subscriptions and membership expenses	653,540	-
Courier expenses	1,133,293	948,891
Provision for retirement of fixed assets	1,501,727	4,693,868
Bank charges	2,199,999	295,968
Miscellaneous expenses	1,342,368	8,367
	89,529,879	38,565,205
27 Loss per equity share		
Loss after tax attributable to the equity shareholders	(165,968,155)	(40,346,008)
Weighted average number of equity shares	6,636,802	5,692,196
Loss per share:		
- Basic	(25.01)	(7.09)
Nominal value per share (In ₹)	10	10



(This space has been intentionally left blank)

Summary of significant accounting policies and other explanatory notes (Cont'd)

28 Related parties

Names of related parties			
i) Controlling entity		Nature of relationship	
Name of the party			
Banktech Group PTY Limited		Holding Company	
ii) Other related parties		Nature of relationship	
Name of the party			
Eftex Pty Ltd		Fellow subsidiary	
IDBI Trusteeship Services Limited		Shareholder	
ii) Other related parties		Nature of relationship	
Name of the party			
K Srinivas		Chief Executive Officer and Managing director	
		Year ended	Year ended
		31 March 2015	31 March 2014
		₹	₹
a) Transactions with related parties			
Refund of application money received			
Banktech PTY Group Limited		6,288,225	-
Fees for Technical services			
Eftex Pty Ltd		27,475,550	9,816,000
Remuneration to KMP			
K Srinivas		15,500,000	6,147,583
b) Balances with related parties			
Application money received for allotment of securities and due for refund			
Banktech Group Pty Limited		1,902,017	8,090,242
Accrued expenses			
Eftex Pty Ltd		27,475,550	9,816,000
Remuneration to KMP			
K Srinivas		1,537,500	493,151
29 Payments to auditors *			
Statutory audit		600,000	175,000
		600,000	175,000

* Excluding service tax

30 Operating lease

The Company has executed operating lease agreements with cancellable term for its office premises and ATM locations. The cancellable leases are generally for a period ranging from 1 to 5 years and may be extended on mutual agreement. The leases carry an escalation clause ranging from 5% to 15% increase in annual rents. The lease expense for cancellable operating leases during the year ended 31 March 2015 was ₹ 48,770,596 (31 March 2014 ₹ 13,494,274).

31 Additional disclosures

Additional information as required under Schedule III to the Act to the extent either "nil" or "not applicable" has not been furnished

32 Prior period comparatives

Prior year amounts have been regrouped / reclassified wherever necessary, to conform to the presentation in the current year. The previous year's financial statements were audited by another firm of Chartered Accountants.

Walker Chandio & Co LLP
For Walker Chandio & Co LLP
(formerly Walker, Chandio & Co)
Chartered Accountants

Vijay V Singh
Per Vijay Vikram Singh
Partner
Membership No: 059139



Place : Bengaluru
Date : 04 August 2015

For and on behalf of the Board of Directors of BTI Payments Private Limited

K Srinivas
Managing Director
DIN: 03533535

David Scott Glen
Director
DIN: 02073436

Sanjay Bajaj
Company Secretary and Chief Commercial Officer

Place : Bengaluru
Date : 04 August 2015

