Audit Report and Financial Statements

India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

31 March 2022

Contents

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Independent Auditor's Report

To the Members of India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss (including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

3. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board Report but does not include the financial statements and our auditor's report thereon.

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

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

   If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

4. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

5. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

6. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

8. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

9. 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.

Other Matter

10. The comparative financial information for the year ended 31 March 2021 and the transition date opening balance sheet as at 1 April 2020 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the years ended 31 March 2021 and 31 March 2020 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by us, on which we had expressed unmodified opinion vide our reports dated 18 June 2021 and 09 July 2020 and these financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure II a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure II, as required by Section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;

    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 Ind AS specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure I wherein we have expressed an unmodified opinion; and

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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2022.;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022.;

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 31 March 2022.;

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
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Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 22059139AJQZTP7892

Bengaluru
26 May 2022

Annexure I of Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited) ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 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, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

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Vijay Vikram Singh
Partner
Membership No.: 059139
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Bengaluru
26 May 2022

Annexure II referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of India1 Payments Limited (Formerly known as India1 Payments Private Limited and BTI Payments Private Limited) on the financial statements for the year ended 31 March 2022

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets under which the assets are physically 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. In accordance with this program, certain property, plant and equipment, right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under Clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the Order is not applicable to the Company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The Company has a working capital limit in excess of ₹ 5 crore sanctioned by banks and financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under Clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) 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/business activity. Accordingly, reporting under Clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory due including goods and services tax, provident fund, employees' state insurance, income-tax, and other material statutory dues, as applicable, with the appropriate authorities. 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.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending
CGST ACT, 2017	GST	5,854,141	557,008	2020-21	Appellate authority up to commissioner level
The Income Tax Act,1961	Income-tax	5,912,381	-	2016-17	Appellate authority up to commissioner level

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/ financial institution and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under Clause 3(ix)(e) and Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

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

(xiii) The Company has not entered into any transactions with the related parties covered under Section 177 or Section 188 of the Act. Accordingly, reporting under Clause 3(xiii) of the Order is not applicable to the Company.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.

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

(xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under Clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under Clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Vijay Vikram Singh
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Vijay Vikram Singh
Partner
Membership No.: 059139
UDIN: 22059139AJQZTP7892

Bengaluru
26 May 2022

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

Balance Sheet as at 31 March 2022

(All amounts in ₹ millions, unless otherwise mentioned)

	Note	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	3,639.10	2,400.38	1,701.35
Right-of-use assets	5	1,706.85	1,331.83	1,012.51
Intangible Assets	6	20.28	10.93	9.01
Intangible asset under development	7	3.00	-	-
Financial Assets				
Other financial assets	8	260.38	246.25	216.55
Deferred-tax assets (net)	9	476.58	154.31	142.20
Non-current tax assets	10	5.42	7.50	13.46
Other non-current assets	11	7.21	0.20	0.27
Total non-current assets		**6,118.82**	**4,151.40**	**3,095.35**
Current assets				
Inventories	12	0.16	2.65	-
Financial Assets				
Trade receivables	13	8.99	12.44	13.74
Cash and cash equivalents	14	11,572.42	8,594.51	4,816.93
Bank balances other than cash and cash equivalents	15	880.04	638.77	376.09
Other financial assets	8	571.71	953.17	266.42
Other current assets	11	206.39	137.51	116.79
Total current assets		**13,239.71**	**10,339.05**	**5,589.97**
Total assets		**19,358.53**	**14,490.45**	**8,685.32**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	162.14	92.49	92.49
Instruments entirely equity in nature	17	-	49.38	38.39
Other equity	18	1,904.26	1,821.29	1,354.62
Total equity		**2,066.40**	**1,963.16**	**1,485.50**
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	19	493.17	598.12	368.17
Lease liabilities	20	1,268.98	960.88	644.10
Other financial liabilities	21	981.51	548.67	321.13
Provisions	22	28.28	73.34	66.55
Other non-current liabilities	24	1,021.22	600.85	357.40
Total non-current liabilities		**3,793.16**	**2,781.86**	**1,757.35**
Current liabilities				
Financial Liabilities				
Borrowings	19	11,926.03	8,548.83	4,357.51
Lease liabilities	20	598.35	435.14	384.99
Trade payables	23			
(A) total outstanding dues of micro enterprises and small enterprises		23.10	35.53	19.25
(B) total outstanding dues of creditors other than (A) above		454.87	317.89	297.52
Other financial liabilities	21	294.56	303.91	310.91
Other current liabilities	24	176.45	85.07	59.03
Provisions	22	25.61	19.06	13.26
Total current liabilities		**13,498.97**	**9,745.43**	**5,442.47**
Total equity and liabilities		**19,358.53**	**14,490.45**	**8,685.32**

The above statement should be read with the Summary of significant accounting policies and other explanatory information.

As per report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number: 001076N / N500013

Vijay Vikram Singh
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Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited

(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

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K Srinivas	**Natrajan Ramkrishna**	**Sanjay Bajaj**	**Mohit Nagar**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 03533535	DIN: 06597041		M. No.: A27492
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Statement of Profit and Loss
(All amounts in ₹ millions, unless otherwise mentioned)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	25	4,357.22	3,175.98
Other income	26	133.98	94.60
Total income		**4,491.20**	**3,270.58**
Expenses			
Operating expenses	27	1,679.39	1,143.01
Purchases of stock-in-trade	28	9.38	4.73
Changes in inventories of stock-in-trade	28	2.49	(2.65)
Employee benefits expense	29	778.56	318.33
Finance costs	30	801.56	587.96
Depreciation and amortisation expense	31	1,104.71	845.68
Other expenses	32	528.13	351.94
Total expenses		**4,904.22**	**3,249.00**
Profit / (loss) before exceptional items and tax		**(413.02)**	**21.58**
Exceptional items	33	52.74	-
Profit / (loss) before tax		**(465.76)**	**21.58**
Tax expense/(credit)	9		
Current tax		-	-
Deferred tax credit		(322.24)	(11.80)
Total tax credit		**(322.24)**	**(11.80)**
Profit / (loss) for the year		**(143.52)**	**33.38**
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement of losses on defined benefit plans		(0.17)	(1.22)
Deferred tax credit on above		0.04	0.31
Other comprehensive loss for the year		**(0.13)**	**(0.91)**
Total comprehensive income / (loss) for the year		**(143.65)**	**32.47**
Earnings / (Loss) per equity share	34		
Basic (₹)		(4.43)	1.12
Diluted (₹)		(4.43)	1.12

The above statement should be read with the Summary of significant accounting policies and other explanatory information.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N / N500013

Vijay Vikram Singh Digitally signed by Vijay Vikram Singh Date: 2022.05.26 19:54:37 +05'30'

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

SRINIVAS KONDETHIMMANAPALLI Digitally signed by SRINIVAS KONDETHIMMANAPALLI Date: 2022.05.26 18:32:44 +05'30'

NATRAJAN RAMKRISHNA Digitally signed by NATRAJAN RAMKRISHNA Date: 2022.05.26 18:36:48 +05'30'

SANJAY KUMAR BAJAJ Digitally signed by SANJAY KUMAR BAJAJ Date: 2022.05.26 18:30:53 +05'30'

MOHIT NAGAR Digitally signed by MOHIT NAGAR Date: 2022.05.26 18:34:40 +05'30'

K Srinivas	**Natrajan Ramkrishna**	**Sanjay Bajaj**	**Mohit Nagar**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 03533535	DIN: 06597041		M. No.: A27492
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Statement of Changes in Equity
(All amounts in ₹ millions, unless otherwise mentioned)

A. Equity share capital

Particulars	As at 31 March 2022 Ind AS	As at 31 March 2021 Ind AS	As at 01 April 2020 Ind AS
Balance as at beginning of the year	**92.49**	**92.49**	**92.49**
Changes in equity share capital due to prior period errors	-	-	-
Restated balance at the beginning of year	**92.49**	**92.49**	**92.49**
Changes in equity share capital during the year	69.65	-	-
Balance as at end of the year	**162.14**	**92.49**	**92.49**

B. Instruments entirely equity in nature

Particulars			
Balance as at beginning of the year	**49.38**	**38.39**	**12.46**
Changes in instruments entirely in nature due to prior period errors	-	-	-
Restated balance at the beginning of year	**49.38**	**38.39**	**12.46**
Changes in compulsory convertible preference shares during the year	(49.38)	10.99	25.93
Balance as at end of the year	**-**	**49.38**	**38.39**

C. Other equity

Particulars	Reserves and surplus			Other	Total other equity
	Securities premium	Retained earnings	ESOP Reserve	Comprehensive Income	
Balance as at 01 April 2020	**3,960.55**	**(2,602.64)**	**-**	**(3.29)**	**1,354.62**
Profit for the year	-	33.38	-	-	**33.38**
Remeasurement loss on defined benefit plans	-	-	-	(0.91)	**(0.91)**
Issued during the year	434.20	-	-	-	**434.20**
Balance as at 31 March 2021	**4,394.75**	**(2,569.26)**	**-**	**(4.20)**	**1,821.29**
Loss for the year	-	(143.52)	-	-	**(143.52)**
Remeasurement loss on defined benefit plans	-	-	-	(0.13)	**(0.13)**
Impact of conversion of CCPS	(20.27)				**(20.27)**
ESOPs issued during the year	-	-	246.89	-	**246.89**
Balance as at 31 March 2022	**4,374.48**	**(2,712.78)**	**246.89**	**(4.33)**	**1,904.26**

The above statement should be read with the Summary of significant accounting policies and other explanatory information.

As per report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number: 001076N / N500013

Vijay Vikram Singh Digitally signed by Vijay Vikram Singh Date: 2022.05.26 19:56:20 +05'30'

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

SRINIVAS KONDETHIMMANAPALLI Digitally signed by SRINIVAS KONDETHIMMANAPALLI Date: 2022.05.26 18:32:56 +05'30'

NATRAJAN RAMKRISHNA Digitally signed by NATRAJAN RAMKRISHNA Date: 2022.05.26 18:37:08 +05'30'

SANJAY KUMAR BAJAJ Digitally signed by SANJAY KUMAR BAJAJ Date: 2022.05.26 18:31:05 +05'30'

MOHIT NAGAR Digitally signed by MOHIT NAGAR Date: 2022.05.26 18:34:58 +05'30'

K Srinivas	Natrajan Ramkrishna	Sanjay Bajaj	Mohit Nagar
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 03533535	DIN: 06597041		M. No.: A27492
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Statement of Cash Flows
(All amounts in ₹ millions, unless otherwise mentioned)

	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Net Profit/(loss) before tax	(465.76)	21.58
Adjustments for:		
Depreciation and amortisation expense	1,104.71	845.68
Employee Stock Option expense	172.42	-
Interest income (including unwinding of discount on deposits - asset)	(52.97)	(44.56)
Interest expense on lease obligation	169.97	118.85
Finance costs on borrowings	564.08	434.53
Provisions and liabilities no longer required written back	(68.16)	(42.58)
Advances written off	0.62	0.35
Unwinding of discounted deposits	67.51	34.58
Profit on sale of property, plant and equipment	(3.35)	(4.11)
Property, plant and equipment written off	22.26	9.22
	1,977.09	**1,351.96**
Operating profit before working capital changes	**1,511.33**	**1,373.54**
Adjustments for working capital changes		
Decrease / (increase) in Inventories	2.49	(2.65)
Decrease in trade receivables	3.45	1.31
Decrease / (increase) in other financial assets	325.80	(629.67)
Decrease / (increase) in other current assets	(69.50)	(21.07)
(Decrease) / Increase trade payables	124.55	36.65
Increase in other financial liabilities	421.08	213.16
Increase in other liabilities	511.75	269.49
Increase in provisions	35.79	11.37
	1,355.41	**(121.41)**
Cash generated from operations	**2,866.74**	**1,252.13**
Net income tax refund / (paid)	2.08	5.96
Net cash generated from operating activities (A)	**2,868.82**	**1,258.09**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,876.52)	(1,111.72)
Proceeds on disposal of property, plant and equipment	16.40	26.72
Proceeds / (Investments) in bank deposits (having original maturity of >3 months), net	(178.96)	(349.46)
Interest received	32.89	29.45
Net cash used in investing activities (B)	**(2,006.19)**	**(1,405.01)**
C. Cash flow from financing activities		
Proceeds from Issue of Compulsorily Convertible Preference shares	-	445.19
Proceeds from long term borrowings	-	750.00
Repayment of long-term borrowings	(109.82)	(542.71)
Proceeds from short term borrowings	8,200.47	6,493.67
Repayment of short term borrowings	(6,489.71)	(2,700.00)
Interest and other bank charges paid	(560.26)	(453.08)
Payment of principal portion of lease liabilities	(422.92)	(388.58)
Interest paid on lease liabilities	(169.97)	(118.85)
Net cash generated from financing activities (C)	**447.79**	**3,485.64**
Net increase in cash and cash equivalents (A+B+C)	**1,310.42**	**3,338.72**
Cash and cash equivalents at the beginning of the year	6,646.60	3,307.88
Cash and cash equivalents at the end of the year	**7,957.02**	**6,646.60**
Components of cash and cash equivalents		
Cash and cash equivalents (Refer Note 14)	11,572.42	8,594.51
Less: Bank overdrafts (Refer Note 19)	(3,615.40)	(1,947.91)
	7,957.02	**6,646.60**

Note:
Bank Overdrafts is shown under cash and cash equivalent as per requirement of IND AS 7, hence proceeds from borrowings under financing activity is excluding the movement in bank overdrafts.

The above statement should be read with the Summary of significant accounting policies and other explanatory information.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N / N500013

Vijay Vikram Singh
Digitally signed by Vijay Vikram Singh Date: 2022.05.26 19:57:46 +05'30'

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

SRINIVAS KONDETHIM MANAPALLI
Digitally signed by SRINIVAS KONDETHIMMANAPALLI Date: 2022.05.26 18:33:10 +05'30'

K Srinivas
Managing Director
DIN: 03533535

Place : Bengaluru
Date : 26 May 2022

NATRAJAN RAMKRISHNA
Digitally signed by NATRAJAN RAMKRISHNA Date: 2022.05.26 18:37:28 +05'30'

Natrajan Ramkrishna
Director
DIN: 06597041

Place : Bengaluru
Date : 26 May 2022

SANJAY KUMAR BAJAJ
Digitally signed by SANJAY KUMAR BAJAJ Date: 2022.05.26 18:31:17 +05'30'

Sanjay Bajaj
Chief Financial Officer

Place : Bengaluru
Date : 26 May 2022

MOHIT NAGAR
Digitally signed by MOHIT NAGAR Date: 2022.05.26 18:35:14 +05'30'

Mohit Nagar
Company Secretary
M. No.: A27492

Place : Bengaluru
Date : 26 May 2022

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Statement of Cash Flows
(All amounts in ₹ millions, unless otherwise mentioned)

Changes in financing liabilities arising from cash and non-cash changes for the year ended 31 March 2022:

Liabilities	As at 01 April 2021	Cash flows	Non- cash adjustments				As at 31 March 2022
			Initial recognition of lease liability	Adjustment on account of interest accrued	Early termination of lease	Effective Interest Rate adjustments on long term borrowings	
Borrowings	9,146.95	3,268.43	-	(2.01)	-	5.83	12,419.20
Lease liabilities	1,396.02	(592.89)	902.69	169.97	(8.47)	-	1,867.33
	10,542.97	**2,675.54**	**902.69**	**167.96**	**(8.47)**	**5.83**	**14,286.53**

Changes in financing liabilities arising from cash and non-cash changes for the year ended 31 March 2021:

Liabilities	As at 01 April 2020	Cash flows	Non- cash adjustments				As at 31 March 2021
			Initial recognition of lease liability	Adjustment on account of interest accrued	Early termination of lease	Effective Interest Rate adjustments on long term borrowings	
Borrowings	4,725.68	4,439.82	-	(0.88)	-	(17.67)	9,146.95
Lease liabilities	1,029.09	(507.50)	757.08	118.85	(1.50)	-	1,396.02
	5,754.77	**3,932.32**	**757.08**	**117.97**	**(1.50)**	**(17.67)**	**10,542.97**

The above statement should be read with the Summary of significant accounting policies and other explanatory information.

As per report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N / N500013

Vijay Vikram Singh Digitally signed by Vijay Vikram Singh Date: 2022.05.26 19:59:09 +05'30'

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

SRINIVAS KONDETHIMMA NAPALLI Digitally signed by SRINIVAS KONDETHIMMANAPALLI Date: 2022.05.26 18:33:24 +05'30'

K Srinivas
Managing Director
DIN: 03533535

Place : Bengaluru
Date : 26 May 2022

NATRAJAN RAMKRISHNA Digitally signed by NATRAJAN RAMKRISHNA Date: 2022.05.26 18:37:49 +05'30'

Natrajan Ramkrishna
Director
DIN: 06597041

Place : Bengaluru
Date : 26 May 2022

SANJAY KUMAR BAJAJ Digitally signed by SANJAY KUMAR BAJAJ Date: 2022.05.26 18:31:30 +05'30'

Sanjay Bajaj
Chief Financial Officer

Place : Bengaluru
Date : 26 May 2022

MOHIT NAGAR Digitally signed by MOHIT NAGAR Date: 2022.05.26 18:35:32 +05'30'

Mohit Nagar
Company Secretary
M. No.: A27492

Place : Bengaluru
Date : 26 May 2022

1 Corporate Information

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments 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 The Banktech Group PTY Ltd, Australia and BTI Payments Singapore Pte Ltd, Singapore as Promoters and India Advantage Fund S3 I, India Advantage Fund S4 I and Dynamic India Fund S4 US I as Investors. The Company is a public limited company, incorporated and domiciled in India and has it's registered office situated at Corporate Tower B 8th floor, Diamond District, 150,Old Airport Road, Domlur, Bangalore – 560008.

The Company had changed its name from BTI Payments Private Limited to India1 Payments Private Limited pursuant to special resolution passed in extraordinary general meeting of the shareholders of the Company held on 17 August 2021 and approval from Registrar of Companies (ROC) dated 25 August 2021. Further, the Company has converted from Private Limited Company to Public Limited Company, pursuant to special resolution passed in extraordinary general meeting of the shareholders of the Company held on 26 August 2021 and consequently the name of the Company has changed to India1 Payments Limited pursuant to a fresh certificate of incorporation by the ROC on 02 September 2021.

The Company is a Reserve Bank of India (RBI) authorised leading White label ATM (Automated Teller Machine) Operator in India. The Company had obtained the renewal of authorization for setting and operating payment system for White Label ATMs and the license stands renewed on perpetual basis. The Company is also providing technical services for banks in Point of Sale (POS) payment solution and Micro ATM services along with digital offerings. The Company had earned comprehensive loss for the year ended 31 March 2022 was ₹ 143.65 million and comprehensive income of ₹ 32.47 million in the current year ended 31 March 2021. No going concern risk is perceived.

2 Basis of preparation & significant accounting policies

2.1 Basis of preparation

The Company has prepared its financial statements as per the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) ('Ind AS'). Accordingly, the Company has prepared these financial statements as at 31 March 2022, which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31 March 2022, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as 'financial statements').

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These accounting policies have been used throughout all periods presented in these financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

The financial statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

2.2 Statement of compliance with Ind AS

The financial statements have been prepared in accordance with the accounting principles generally accepted in India including Ind AS prescribed under Section 133 of the Companies Act, 2013 (the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

For all periods up to and including the year ended 31 March 2021, the company prepared its financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ('Previous GAAP'). These are the first Ind AS financial statements of the Company. The date of transition to Ind AS is 01 April 2020. Refer note 51 for the details of first-time adoption exemptions availed by the Company, reconciliations and descriptions of the effect of the transition.

The Financial Statements were authorized by Board of Directors for issue on 26 May 2022.

2.3 Functional and presentation currency

The financial statements is presented in Indian Rupee (‘ ₹ ’) which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest millions, unless otherwise indicated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

2.4 Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles which requires management to make judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of 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 year. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgements and the use of assumptions in these financial information have been disclosed in note 3 below.

2.5 Recent Accounting pronouncements.

Standards issued but not yet effective as on Balance sheet date:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below;

Ind AS 109 - Financial Instruments
The amendment clarifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 16 - Property Plant and equipment
The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any. shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
The amendment specifies that the ''cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilment contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and there is no impact on its financial statements.

2.6 Current versus non-current classification

The Company presents assets and liabilities in the Financial Statement based on current/ non-current classification.
(i) An asset is classified as current when it is:
- Expected to be realized or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

(ii) All other assets are classified as non-current.
(iii) 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

(iv) All other liabilities are classified as non-current.
(v) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of service and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2 Basis of preparation & significant accounting policies (cont'd)

2.7 Revenue recognition

Revenue from contracts with customers :

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognised in the Statement of Profit and Loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

(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 c) Managed service fee towards management of ATMs on behalf of banks, d) WLA fee towards Co-branding, e) Value Added Services(VAS), f) Transaction fees earned on Micro ATM services and g) Revenue earned from Digital offerings. Service revenues are recognised as the services are rendered and are stated net of discounts, waivers and taxes.

(ii) Interest income

For all debt instruments measured at amortized cost, 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 amortized 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. The expected cash flows are revisited on a yearly basis.

(iii) Unbilled revenue

Unbilled revenue disclosed under other financial assets 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.

(iv) Sale of traded goods

The Company also derives revenue from sale of traded goods.

As per Ind AS 115, revenue is recognised to depict the transfer of promised goods to a customer in an amount that reflects the fair value of the consideration received or receivable which the entity expects to be entitled in exchange for those goods.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange of those products.

The amount recognised as sale is exclusive of GST and net of trade discounts and sales returns.

(v) Provisions and liabilities no longer required written back

The Company written back liabilities older than 3 years to other income basis the Limitation Act, 1963.

2.8 Property, plant and equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, and thus the Company had elected to measure all its property, plant and equipment at the previous GAAP carrying value (deemed cost) as at 01 April 2020. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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. All other repair and maintenance costs are recognised in the Statement of Profit and Loss, as incurred.

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

Subsequent measurement (Depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property, plant and equipment 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 the Statement of Profit and Loss.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset Category	***Useful Life (Years)***
Automated Teller Machine *	10
POS terminals *	6
Plant and equipment *	5
Electrical equipment	10
Computer hardware	3 to 6
Furniture & fixtures	10
Office equipment	5

The leasehold improvements are depreciated over the period of lease or life of asset; or 10 years, whichever is lower.

* 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.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

2.9 Intangible assets

Recognition and initial measurement

Separately acquired intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortization)

The cost of intangible assets is amortized over the useful life of the asset determined as follow on a straight line basis:

Computer software	3 to 6
Copyrights	10

De-recognition

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

2 Basis of preparation & significant accounting policies (cont'd)

2.10 Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of property, plant and equipment not ready for use and are carried at cost. Cost includes related acquisition expenses, borrowing costs and other direct expenditure.

2.11 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.12 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. Cash at ATMs includes cash withdrawn from bank but not deposited in ATMs and lying with third party (herein referred as "in-transit" balance).

2.13 Employee benefits

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company's contributions towards provident fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan, in accordance with Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit plan

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan and define the amount of benefit that an employee will receive on completion of services by reference of length of service and last drawn salary. The liability is recognised in the Balance Sheet for defined benefit plan, as the present value of the defined benefit obligation (DBO) at the reporting date is less than the fair value of the plan assets. Management estimates the DBO annually with the assistance of independent actuaries who use the projected unit credit method to calculate the defined benefit 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.

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.

Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the period in which such gain or loss arise. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Compensated absences

The Company also provides benefit of compensated absences to its employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the period in which such gains or losses arise.

The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.14 Share based payment transactions

The company had developed the Performance and Retention Incentive Scheme (PRI Scheme) for select employees. Performance Retention Units (PRUs) were 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 had been granted vested over time as long as the concerned employee remained employed with the Company during the financial year ended 31 March 2022.

The Company has issued Employee Stock Options through adoption of INDIA1 Employee Stock Option Scheme 2021 and INDIA1 Employee Stock Option Plan 2021 (collectively, the 'Scheme') by replacing the existing Share Appreciation Rights (PRI scheme) with w.e.f. 26 August 2021. ESOP issued under this scheme to employees is measured at the fair value of the equity instruments. The fair value determined of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

2.15 Leases

Company as a lessee

The Company's lease asset classes consist of leases for ATM machines, land leases and leases for buildings. 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:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially and subsequently measured at the present value of the future lease payments that are not paid at the commencement date/reporting date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the Company. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense in the Statement of Profit and Loss over the lease term.

2.16 Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Subsequent measurement
Debt Instruments

(i) Debt instruments at amortized cost

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 Statement of Profit and Loss.

2 Basis of preparation & significant accounting policies (cont'd)

2.16 Financial assets (cont'd)

Subsequent measurement (cont'd)

Debt Instruments (cont'd)

(ii) Debt Instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in other comprehensive income (OCI).

(iii) Debt instruments at Fair value through profit and loss (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 FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in the scope of Ind AS 109,' Financial Instruments', are measured at fair value. The Company may make an irrevocable election to measure the equity investments at fair value through other comprehensive income (FVOCI). 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 FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment.
Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Investment in mutual funds

Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

2.17 Financial liabilities

Initial recognition

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

These liabilities include borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition 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 and Loss

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 realize the assets and settle the liabilities simultaneously.

2.18 Impairment

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not carried at fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss

Non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any Indication that those assets have suffered an impairment loss. If any such Indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an Individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to Individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit ('CGU')) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.19 Tax expense

Income taxes

Income tax expense comprises of current tax and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit as determined in accordance with the applicable tax rates and the provisions of the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2 Basis of preparation & significant accounting policies (cont'd)

2.20 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.21 Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of obligation can be made at the reporting date.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material, 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.

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.

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 information.

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.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.22 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in White Label ATM Operations (WLA), ATM managed services (MSP), POS Technical services and Micro ATM & Digital offerings which represent different business segments as they are subject to risks and returns that are not similar to each other. The Company operates only in India and there is no other geographical segment.

2.23 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Company are segregated. Bank Overdrafts is shown under cash and cash equivalent as per requirement of IND AS 7, hence proceeds from borrowings under financing activity is excluding the movement in bank overdraft.

3 Significant judgements and estimates in applying accounting policies

3.1 Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

3.2 Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software and other assets.

3.3 Defined benefit obligation (DBO) – Management’s estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

3.4 Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm’s length transaction at the reporting date.

3.5 Share based payments - The Company initially measures the cost of cash-settled share-based payment transactions at fair value. The liability for such cash-settled share-based payment transactions needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss.

This requires a reassessment of the estimates used at the end of each reporting period.

However, for equity-settled shared-based payment, the Company measures the cost at grant date fair value and no subsequent remeasurement is required. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 45.

3.6 Contingent liabilities – At each balance sheet date basis the management estimate, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding guarantees and litigations. However, the actual future outcome may be different from this estimate.

3.7 Recognition of deferred tax assets – Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

3.8 Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

3.9 Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However the actual future outcome may be different from this judgement.

4 Property, Plant and Equipment

	Automated Teller Machine (ATM)	POS terminals*	Plant and Equipment	Electrical equipment	Computer hardware	Furniture and fixtures	Leasehold improvements	Office equipment	Total
Gross block (at deemed cost)									
Balance as at 01 April 2020	**1,040.11**	**17.39**	**326.48**	**0.08**	**7.15**	**0.10**	**309.64**	**0.40**	**1,701.35**
Transfer from ROU	-	36.80	-	-	-	-	-	-	36.80
Additions	572.38	-	261.23	-	-	-	287.76	0.33	1,121.70
Disposals	(13.70)	(1.97)	(59.34)	-	-	-	(24.41)	(0.12)	(99.54)
Balance as at 31 March 2021	**1,598.79**	**52.22**	**528.37**	**0.08**	**7.15**	**0.10**	**572.99**	**0.61**	**2,760.31**
Additions	1,000.45	-	379.54	-	4.98	-	470.15	0.56	1,855.68
Disposals	(27.11)	(0.20)	(45.12)	-	-	-	(19.94)	(0.09)	(92.46)
Balance as at 31 March 2022	**2,572.13**	**52.02**	**862.79**	**0.08**	**12.13**	**0.10**	**1,023.20**	**1.08**	**4,523.53**
Accumulated depreciation									
Balance as at 01 April 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfer from ROU	-	15.56	-	-	-	-	-	-	15.56
Depreciation charge	171.43	12.04	117.51	0.02	2.71	0.03	113.69	0.39	417.82
Reversal on disposal of assets	(6.15)	(1.18)	(46.92)	-	-	-	(19.12)	(0.08)	(73.45)
Balance as at 31 March 2021	**165.28**	**26.42**	**70.59**	**0.02**	**2.71**	**0.03**	**94.57**	**0.31**	**359.93**
Depreciation charge	265.39	8.64	145.13	0.02	3.31	0.01	158.78	0.37	581.65
Reversal on disposal of assets	(10.60)	(0.14)	(31.16)	-	-	-	(15.19)	(0.06)	(57.15)
Balance as at 31 March 2022	**420.07**	**34.92**	**184.56**	**0.04**	**6.02**	**0.04**	**238.16**	**0.62**	**884.43**
Net block									
Balance as at 31 March 2021	**1,433.51**	**25.80**	**457.78**	**0.06**	**4.44**	**0.07**	**478.42**	**0.30**	**2,400.38**
Balance as at 31 March 2022	**2,152.06**	**17.10**	**678.23**	**0.04**	**6.11**	**0.06**	**785.04**	**0.46**	**3,639.10**

Note

* The lease agreement for POS terminals was terminated during the year ended 31 March 2021. Post which the assets were transferred to the Company at nominal value of ₹ 1. Thus the assets has been transferred from Right of Use (ROU) assets to Property, plant and equipments (PPE) with carrying value as on the date of transfer.

a. Contractual obligations

Details of contractual obligations are given in Note 46

b. Property, plant and equipment pledged as security

Details of property, plant and equipment pledged are given in Note 43

c. Deemed carrying cost

The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, the Company has made adjustments in relation to adoption of Ind AS for the year ended 31 March 2021 and thus the Company had elected to measure all its property, plant and equipment at the previous GAAP carrying value (deemed cost) as at 01 April 2020.

5 Right of use asset

	Automated Teller Machine (ATM)	Building	POS terminals*	Total
Gross Block				
Balance as at 01 April 2020	**574.53**	**1,409.09**	**36.80**	**2,020.42**
Transfer	-	-	(36.80)	(36.80)
Additions	-	801.84	-	801.84
Disposals/Renewal	(0.56)	(415.16)	-	(415.72)
Balance as at 31 March 2021	**573.97**	**1,795.77**	**-**	**2,369.74**
Transfer				
Additions	69.92	832.77	-	902.69
Disposals/Renewal	(428.09)	(149.45)	-	(577.54)
Balance as at 31 March 2022	**215.80**	**2,479.09**	**-**	**2,694.89**
Accumulated depreciation				
Balance as at 01 April 2020	**380.46**	**611.89**	**15.56**	**1,007.91**
Transfer			(15.56)	(15.56)
Depreciation charge	115.18	309.13	-	424.31
Deletions	(0.56)	(378.19)	-	(378.75)
Balance as at 31 March 2021	**495.08**	**542.83**	**-**	**1,037.91**
Depreciation charge	75.88	442.63	-	518.51
Deletions	(428.19)	(140.19)	-	(568.38)
Balance as at 31 March 2022	**142.77**	**845.27**	**-**	**988.04**
Net block				
Balance as at 31 March 2021	**78.89**	**1,252.94**	**-**	**1,331.83**
Balance as at 31 March 2022	**73.03**	**1,633.82**	**-**	**1,706.85**

Note
* The lease agreement for POS terminals was terminated during the year ended 31 March 2021. Post which the assets were transferred to the Company at nominal value of ₹ 1. Thus the assets has been transferred from ROU assets to Property, plant and equipments with carrying value as on the date of transfer.

The Company adopted Ind AS 116, "Leases", using the modified retrospective method of adoption with the date of initial application of 1 April 2020. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured the right of use asset as if the standard had been applied since the commencement date, but discounted using the Company's incremental borrowing rate at the date of initial application. Refer Note 42.

6 Intangible assets

	Computer software	Copyrights	Total
Gross block (at deemed cost)			
Balance as at 01 April 2020	**8.57**	**0.44**	**9.01**
Additions	5.47	-	5.47
Disposals	-	-	-
Balance as at 31 March 2021	**14.04**	**0.44**	**14.48**
Additions	13.89	0.01	13.90
Disposals	-	-	-
Balance as at 31 March 2022	**27.93**	**0.45**	**28.38**
Accumulated amortisation			
Balance as at 01 April 2020	**-**	**-**	**-**
Amortisation charge	3.50	0.05	3.55
Balance as at 31 March 2021	**3.50**	**0.05**	**3.55**
Amortisation charge	4.50	0.05	4.55
Balance as at 31 March 2022	**8.00**	**0.10**	**8.10**
Balance as at 31 March 2021	**10.54**	**0.39**	**10.93**
Balance as at 31 March 2022	**19.93**	**0.35**	**20.28**

Note
Deemed carrying cost
The date of transition to Ind AS for the Company is 01 April 2020. However, as described in basis of preparation, the Company has made adjustments in relation to adoption of Ind AS for the year ended 31 March 2021 also and thus the Company had elected to measure all its intangible assets at the previous GAAP carrying value (deemed cost) as at 01 April 2020.

7 Intangible asset under development

	As at 31 Match 2022	As at 31 March 2021	As at 01 April 2020
Opening balance	-	-	-
Add- Additions during the year	3.00	-	-
Less- Transfer during the year to Intangible asset	-	-	-
	3.00	**-**	**-**

Intangible asset under development ageing schedule

Intangible asset under development as at 31 March 2022

Intangible asset under development	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	3.00	-	-	-	3.00
Project temporarily suspended	-	-	-	-	-

8 Other financial assets

	As at 31 Match 2022	As at 31 March 2021	As at 01 April 2020
A Non-current			
Other financial assets carried at amortised cost			
Security deposits	149.36	80.88	137.96
Deposits with maturity of more than 12 months *	108.33	162.72	75.38
Interest accrued but not due on bank deposits	2.69	2.65	3.21
	260.38	**246.25**	**216.55**

Note:
* Deposits are held as lien with the banks, in order to obtain working capital loans and bank overdrafts. Refer Note 41 and 43.

B Current			
Other financial assets carried at amortised cost			
Security deposits	37.90	89.30	12.86
Insurance claim receivable	15.33	5.79	5.54
Employee advances	0.67	0.58	0.68
Cash dispensed recoverable*	517.81	857.50	247.34
	571.71	**953.17**	**266.42**

Note:
* Working capital loan and bank overdrafts is secured by pari-passu charge on cash at ATM and cash dispensed recoverable availed from banks and NBFC to the extent of working capital loans drawn. Refer Note 41 and 43.

9 Income taxes

Current income tax			
- For the year	-	-	-
	-	**-**	**-**
Deferred tax			
- Origination and reversal of temporary differences	(322.24)	(11.80)	(27.39)
Income tax credit	**(322.24)**	**(11.80)**	**(27.39)**
Statement of Other Comprehensive Income			
Deferred tax credit related to items charged or credited to Other Comprehensive Income during the year:			
- Re-measurement gains on defined benefit plans	0.04	0.31	0.51
Deferred Tax charged to Other Comprehensive Income	**0.04**	**0.31**	**0.51**

The reconciliation between the amount computed by applying the statutory income tax rate to the (loss) / profit before tax and income tax (credit) / expense is summarised below:

Profit / (Loss) before tax	(413.02)	21.58	(86.05)
Effective tax rate	25.17%	25.17%	26.00%
Tax expense	(103.95)	5.43	(22.37)
Adjustments:			
Reversal of deferred tax asset, due to change in effective tax rate	-	4.55	-
Set off of brought forward losses on which deferred tax was not created	-	(24.10)	(8.90)
Deferred tax asset not created on losses carried forwarded	-	-	-
Capital expenditure not allowed as deduction	5.60	2.32	3.88
Deferred tax asset created on unabsorbed depreciation for the previous year	(223.93)	-	-
Others	-	(0.31)	(0.52)
Income tax credit	**(322.28)**	**(12.11)**	**(27.91)**

9 Income taxes (cont'd)

The analysis of deferred tax assets / (liabilities) is as follows: **Deferred tax asset / (liability)***	**As at** **31 March 2022**	**As at** **31 March 2021**	**As at** **01 April 2020**
Deferred tax asset/(liability) arising on account of			
Provisions for employee benefits	17.59	27.67	24.92
Allowance for impairment of debtors / advances	0.38	1.91	4.42
Difference in carrying value of PPE / intangible assets	116.27	104.82	93.15
Unabsorbed depreciation	312.04	-	-
Leases	36.89	27.29	23.72
Fair valuation of financial instruments	(6.59)	(7.38)	(4.01)
	476.58	**154.31**	**142.20**

Note

* Company has opted for reduced corporate tax rate of 25.17% as per Section 115BAA of the Income Tax Act, 1961 during the year ended 31 March 2021. Basis the projections and the industry in which the Company operates, management believes that in accordance with Ind AS -12, Income Taxes, it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

Provisions for employee benefits	(10.08)	2.75	8.14
Allowance for impairment of debtors / advances	(1.53)	(2.51)	(1.56)
Difference in carrying value of PPE / intangible assets	11.45	11.67	27.90
Unabsorbed depreciation	312.04	-	-
Leases	9.60	3.57	(3.45)
Fair valuation of financial instruments	0.79	(3.37)	(3.13)
Net deferred tax credit	**322.28**	**12.11**	**27.91**

The movement in deferred tax assets (net) during the year is as follows:

Opening balance	154.31	142.20	114.30
Tax credit recognised in profit or loss	322.24	11.80	27.39
Tax credit recognised in OCI	0.04	0.31	0.51
Closing balance	**476.59**	**154.31**	**142.20**

10 Non-current tax assets

Tax deducted at source	5.42	7.50	13.46
	5.42	**7.50**	**13.46**

11 Other assets

A Non-current

(Unsecured, considered good)			
Capital advances	7.21	0.20	0.27
	7.21	**0.20**	**0.27**

B Current

(Unsecured, considered good)			
Advance to suppliers	13.03	13.72	2.74
Prepaid expenses	69.19	32.15	54.42
Duties and taxes recoverable	123.67	91.14	59.13
Other advances	0.50	0.50	0.50
	206.39	**137.51**	**116.79**

12 Inventories

(Valued at lower of cost or net realisable value)			
Stock-in-trade	0.16	2.65	-
	0.16	**2.65**	**-**

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Financial Statements (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
13 Trade receivables			
Trade receivable - Unsecured and Considered good			
Trade receivables - WLA	7.08	7.27	2.08
Trade receivables - Others	3.40	12.83	29.62
Less : Loss allowance for expected credit loss	(1.49)	(7.66)	(17.96)
	8.99	**12.44**	**13.74**

Trade Receivables ageing schedule:

Trade Receivables as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- considered good	0.08	9.03	0.01	0.24	0.06	1.06	10.48
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

Trade Receivables as at 31 March 2021

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- considered good	2.94	9.04	0.29	0.33	1.15	6.35	20.10
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

Trade Receivables as at 1 April 2020

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables- considered good	4.43	8.91	1.63	0.43	6.25	10.06	31.70
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
14 Cash and cash equivalents			
Balances with banks			
- in current accounts	46.17	97.66	52.89
- in deposit account (with original maturity up to 3 months)	-	1,250.00	500.00
- Interest accrued but not due on bank deposits	-	0.24	0.26
Cheque on hand	-	0.01	-
Cash at ATM (Also, refer note below)#	11,526.25	7,246.60	4,263.78
	11,572.42	**8,594.51**	**4,816.93**

Note:
Working capital loan is secured by pari-passu charge on cash at ATM and cash dispensed recoverable availed from banks and NBFC to the extent of working capital loans drawn. Refer Note 41 and 43.
includes in-transit balances of ₹ 2345.86 million and ₹ 1036.73 million for year ended 31 March 2022 and 31 March 2021 respectively which were subsequently deposited into ATMs.

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
15 Other bank balances			
Deposits with original maturity more than 3 months but not more than 12 months*	552.85	40.38	-
Deposits with original maturity for more than 12 months*	415.85	749.36	437.23
Interest accrued but not due on bank deposits	22.36	14.40	17.45
	991.06	804.14	454.68
Deposits disclosed under non-current financial assets	(108.33)	(162.72)	(75.38)
Interest accrued disclosed under non-current financial assets	(2.69)	(2.65)	(3.21)
	880.04	**638.77**	**376.09**

Note:
(*) Deposits are held as lien with the banks, in order to obtain term loan, working capital loans and bank overdrafts. Refer Note 41 and 43.

	As at 31 March 2022 Number	Amount	As at 31 March 2021 Number	Amount	As at 01 April 2020 Number	Amount
16 Equity share capital						
Authorised share capital						
Equity shares of ₹ 5 each	35,000,000	175.00	20,500,000	102.50	20,500,000	102.50
	35,000,000	**175.00**	**20,500,000**	**102.50**	**20,500,000**	**102.50**
Issued, subscribed and fully paid up						
Equity shares of ₹ 5 each	32,428,310	162.14	18,497,296	92.49	18,497,296	92.49
	32,428,310	**162.14**	**18,497,296**	**92.49**	**18,497,296**	**92.49**
a) Reconciliation of share capital (Equity)						
Balance at the beginning of the year	**18,497,296**	**92.49**	**18,497,296**	**92.49**	**18,497,296**	**92.49**
Add : Issued during the year	13,931,014	69.65	-	-	-	-
Balance at the end of the year	**32,428,310**	**162.14**	**18,497,296**	**92.49**	**18,497,296**	**92.49**
b) Shares held by Holding company, Ultimate Holding company, Subsidiaries/associates of holding company or Ultimate Holding company						
Equity shares of ₹ 5 each						
The Banktech Group PTY Ltd (Ultimate Holding Company)	6,925,188	34.63	6,925,192	34.63	6,925,192	34.63
BTI Payments Singapore Pte Ltd. (Subsidiary of ultimate holding company)	9,482,467	47.41	2,516,960	12.58	2,516,960	12.58
David Scott Glen (holding shares as a nominee on behalf of The Banktech Group PTY Ltd)	2	0.00	-	-	-	-
Peter Alexander Blackett (holding shares as a nominee on behalf of The Banktech Group PTY Ltd)	2	0.00	-	-	-	-
	16,407,659	**82.04**	**9,442,152**	**47.21**	**9,442,152**	**47.21**

c) Shareholders holding more than 5% of the shares	**Number**	**Percentage**	**Number**	**Percentage**	**Number**	**Percentage**
Equity shares of ₹ 5 each						
India Advantage Fund S3 I	9,055,144	27.92%	9,055,144	48.95%	9,055,144	48.95%
India Advantage Fund S4 I	6,408,266	19.76%	-	0.00%	-	0.00%
The Banktech Group PTY Ltd (Ultimate Holding Company)	6,925,188	21.36%	6,925,192	37.44%	6,925,192	37.44%
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	9,482,467	29.24%	2,516,960	13.61%	2,516,960	13.61%
	31,871,065	**98.28%**	**18,497,296**	**100.00%**	**18,497,296**	**100.00%**

d) Rights, preferences and restrictions:

Equity shares of ₹ 5 each

The Company has one class of equity shares having a face value of ₹ 5 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.

e) Aggregate number of bonus shares issued and shares issued for consideration other than cash during five years immediately preceding the reporting date:

The Company has not issued any bonus shares nor there has been any buy back of shares during five years immediately preceding the reporting date 31 March 2022

f) Increase in authorised share capital

The board of directors at their meeting held on 06 August 2021 approved the increase in authorised equity share capital . The same has been approved by the members on 06 August 2021 through e-voting. The Company has adopted the amended Articles as the new Articles of Association vide resolution passed in Extraordinary General Meetings held on 06 August 2021.

g) Split of Shares

The board of directors at their meeting held on 13 August 2021 approved the sub-division of each equity share capital of face value of ₹ 10 fully paid into 2 equity share of face value of ₹ 5 each fully paid up. The same has been approved by the members on 13 August 2021 through e-voting. The Company has adopted the amended Articles as the new Articles of Association vide resolution passed in Extraordinary General Meetings held on 13 August 2021.

h) Promoters' shareholding

	As at 31 March 2022 No. of shares	% of total shares	% change	As at 31 March 2021 No. of shares	% of total shares	% change	As at 01 April 2020 No. of shares	% of total shares	% change
Promoter name									
The Banktech Group PTY Ltd (Ultimate Holding Company)	6,925,188	21.36%	0.00%	6,925,192	37.44%	0.00%	6,925,192	37.44%	0.00%
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	9,482,467	29.24%	276.74%	2,516,960	13.61%	0.00%	2,516,960	13.61%	0.00%
Total	**16,407,655**	**50.60%**	**73.77%**	**9,442,152**	**51.05%**	**0.00%**	**9,442,152**	**51.05%**	**0.00%**

	As at 31 March 2022		As at 31 March 2021		As at 01 April 2020	
	Number	Amount	Number	Amount	Number	Amount
17 Instruments entirely equity in nature						
Authorised share capital						
Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	5,000,000	50.00	5,000,000	50.00	5,000,000	50.00
	5,000,000	**50.00**	**5,000,000**	**50.00**	**5,000,000**	**50.00**
Issued, subscribed and fully paid up						
Promoter Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	-	-	1,246,441	12.46	1,246,441	12.46
Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each	-	-	3,691,831	36.92	2,592,593	25.93
	-	**-**	**4,938,272**	**49.38**	**3,839,034**	**38.39**

a) Reconciliation of share capital (CCPS)

	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	**4,938,272**	**49.38**	**3,839,034**	**38.39**	**1,246,441**	**12.46**
Add : 2019 CCPS issued during the year	-	-	1,099,238	10.99	2,592,593	25.93
Less : CCPS converted during the year	(4,938,272)	(49.38)	-	-	-	-
Balance at the end of the year	**-**	**-**	**4,938,272**	**49.38**	**3,839,034**	**38.39**

b) Shares held by Holding company, Ultimate Holding company, Subsidiaries/associates of holding company or Ultimate Holding company

	Number	Amount	Number	Amount	Number	Amount
Promoter Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	-	1,246,441	12.46	1,246,441	12.46
	-	**-**	**1,246,441**	**12.46**	**1,246,441**	**12.46**
2019 Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	-	1,222,695	12.23	123,457	1.23
	-	**-**	**1,222,695**	**12.23**	**123,457**	**1.23**

c) Shareholders holding more than 5% of the shares

	Number	Percentage	Number	Percentage	Number	Percentage
Promoter Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	0%	1,246,441	100%	1,246,441	100%
	-	**0%**	**1,246,441**	**100%**	**1,246,441**	**100%**
2019 Compulsorily Convertible Preference shares of ₹ 10 each						
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	0%	1,222,695	33%	123,457	5%
India Advantage Fund S4 I	-	0%	2,271,605	62%	2,271,605	87%
Dynamic India Fund S4 US I	-	0%	197,531	5%	197,531	8%
	-	**0%**	**3,691,831**	**100%**	**2,592,593**	**100%**

d) Rights, preferences and restrictions:

Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each

Both Promoter Compulsorily Convertible Cumulative Preference Shares of the Company having a nominal value of ₹ 10 per share and 2019 Compulsorily Convertible Preference shares of the Company having a nominal value ₹ 10 per share shall be entitled to the following:

(i) Dividends: The CCPS shall carry a pre-determined cumulative dividend at the rate of 0.0001 percent per annum on aggregate value of the CCPS.

(ii) Until converted in accordance with the provisions of the schedule and applicable law, all issued CCPS shall carry voting rights with equity shares on as-if-converted basis, and the holders of the CCPS shall be entitled to vote in all meetings of the shareholders of the Company accordingly.

(iii) Subject to applicable laws, CCPS shall automatically be converted into equity shares. Each CCPS will be converted into 1.4105 equity shares of ₹ 10 each. The CCPS would be converted at the earliest of the following events:
a) one day prior to expiry of the 20 years from the date of issuance of CCPS; or
b) in connection with a Initial Public Offering, prior to filing of a prospectus (or equivalent document) by the Company with the competent authority or such later date as may be permitted under applicable law.

e) Promoters' shareholding

Particulars	No. of shares	As at 31 March 2022 % of total shares	% change	No. of shares	As at 31 March 2021 % of total shares	% change	No. of shares	As at 01 April 2020 % of total shares	% change
Promoter name									
Promoter Compulsorily Convertible Preference shares of ₹ 10 each									
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	0.00%	-100.00%	1,246,441	100.00%	0.00%	1,246,441	100.00%	0.00%
Total	**-**	**0.00%**	**-100.00%**	**1,246,441**	**100.00%**	**0.00%**	**1,246,441**	**100.00%**	**0.00%**
2019 Compulsorily Convertible Preference shares of ₹ 10 each									
BTI Payments Singapore Pte Ltd.(Subsidiary of ultimate holding company)	-	0.00%	-100.00%	1,222,695	33.12%	890.38%	123,457	4.76%	100.00%
Total	**-**	**0.00%**	**-100.00%**	**1,222,695**	**33.12%**	**890.38%**	**123,457**	**4.76%**	**100.00%**

f) Conversion of Compulsorily Convertible Preference shares of ₹ 10 each into Equity Shares of ₹ 5 each

It was resolved in the board meeting held on 13 August 2021, The Company has alloted 338 equity shares of Rs.5/- each against the conversion of 120 Compulsorily Convertible Preference Shares of Rs.10 each/- at a conversion ratio of 1:2.8210 equity share of ₹ 5 each per CCPS.

It was resolved in the board meeting held on 26 October 2021, The Company has alloted 13,930,676 equity shares of Rs.5/- each against the conversion of 4,938,152 Compulsorily Convertible Preference Shares of Rs.10 each/- at a conversion ratio of 1:2.8210 equity share of ₹ 5 per CCPS.

18 Other equity

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Securities premium			
Securities premium	4,374.48	4,394.75	3,960.55
ESOP Reserve	246.89	-	-
Retained earnings	(2,712.78)	(2,569.26)	(2,602.64)
OCI	(4.33)	(4.20)	(3.29)
	1,904.26	**1,821.29**	**1,354.62**

a) Nature and purpose of other reserves

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised during the year for providing for the premium payable on the redemption of CCPS which is in accordance with Section 52 of the Companies Act, 2013.

19 Borrowings

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
A Non-current			
Term loans (secured)			
From banks	598.12	702.11	513.17
	598.12	702.11	513.37
Less: Current maturities of long term borrowings	(104.95)	(103.99)	(145.20)
	493.17	**598.12**	**368.17**
B Current			
Loans repayable on demand - Bank Overdrafts (secured)	3,615.40	1,947.91	1,509.05
Working Capital Demand Loan (secured)			
From banks	7,705.27	6,096.93	2,703.26
From other parties	500.41	400.00	-
Current maturities of long term borrowings	104.95	103.99	145.20
	11,926.03	**8,548.83**	**4,357.51**

19 Borrowings (Continued)

Non-current borrowings
Term loans from banks (Secured)

SN	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2022	31 March 2021	01 April 2020
i.	**IndusInd Bank Limited**	Exclusive charge on fixed asset of the Company i.e., assets deployed at sites comprising of cash dispenser, VSAT equipment, CCTV equipment, Power Solution (UPS and Battery) with other infra items with assets cover of 1.25 times of outstanding loan amount. Asset coverage of 1.25 times, 10% margin money in the form of Fixed Deposit and 2 months' DSRA of the outstanding loan amount to be maintained during the entire tenor of the facility.	Repayable in 84 equated monthly instalments commencing from October 2020	8.45% - 9.00%	598.12	702.11	-
ii.	**Lakshmi Vilas Bank**	1) Fixed Assets (Designated ATM) i.e., assets deployed at sites comprising of cash dispensers, VSAT equipments, CCTV equipments, Power Solutions (UPS and Battery) with other infra items with assets cover of 125% of the loan amount. 2) Exclusive charge over NPCI receivables in relation to designated/linked ATMs of the Company.	Repayable in 60 equated monthly instalments commencing from May 2018	10.80%	-	-	513.37
		Total non-current borrowings			**598.12**	**702.11**	**513.37**

Current borrowings
Working capital loans from banks

SN	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2022	31 March 2021	01 April 2020
i.	**ANZ**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 10 days from sanction date	5.90% to 7.70%	2,850.00	2,850.00	1,500.00
ii.	**RBL Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 10 days from sanction date	6.17% to 9.97%	360.00	360.00	300.00
iii.	**IndusInd Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 31 days from sanction date	6.20% to 9.07%	300.00	300.00	300.00
iv.	**IDFC Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 10 days from sanction date	6.75% to 10.35%	603.59	360.00	240.00
v.	**Federal Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 15 days from sanction date	6.45% to 8.90%	570.00	360.00	300.00
vi.	**Axis Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 31 days from sanction date	8.30% to 9.00%	240.00	240.00	60.00
vii.	**Kotak Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 31 days from sanction date	6.30% to 8.00%	500.00	350.00	-
viii.	**HDFC Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 31 days from sanction date	6.50% to 7.90%	1,500.00	609.71	-
ix.	**ICICI Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 95 days from sanction date	8.00% to 8.20%	174.58	420.00	-
x.	**SBM Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 14 days from sanction date	8.75%	-	240.00	-
xii.	**SBI**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable in 31 days from sanction date	7.90% to 8.95%	602.30	-	-
	Interest on working capital demand loan				4.80	7.22	3.26
		Sub-total - (A)			**7,705.27**	**6,096.93**	**2,703.26**

19 Borrowings (Continued)

Working capital loans from financial institutions

SN	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2022	31 March 2021	01 April 2020
i.	**Bajaj Finance Limited**	Secured by pari-passu charge on cash at ATMs , on the Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits	Repayable in 31 days from sanction date	6.50% to 8.50%	500.00	250.00	-
ii.	**Vivriti Capital Private Limited**	Secured by pari-passu charge on cash at ATMs , on the Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits	Repayable in 31 days from sanction date	13.00%	-	150.00	-
	Interest on working capital demand loan				0.41	-	
		Sub-total - (B)			**500.41**	**400.00**	**-**

Overdraft from banks

SN	Particulars	Nature of security	Repayment details	Interest Rate %	31 March 2022	31 March 2021	01 April 2020
i.	**Federal Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	7.00% to 9.50%	346.16	187.16	193.75
ii.	**RBL Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	8.00% to 10.20%	124.77	190.89	12.04
iii.	**ANZ Banking Group Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	5.90% to 7.45%	938.96	-	118.31
iv.	**IndusInd Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	6.70% to 9.00%	46.87	2.12	25.08
v	**IDFC Bank Limited**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	8.20% to 10.00%	281.42	127.57	4.88
vi.	**Bank of Baroda**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	8.45% to 9.25%	692.54	896.37	994.15
vii.	**Axis Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	8.30% to 8.95%	0.72	-	160.84
ix.	**Kotak Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	7.50% to 8.00%	116.68	101.86	-
x.	**HDFC Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	7.05% to 7.90%	778.61	341.82	-
xi.	**SBM Bank**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	8.75%	-	100.12	-
xii.	**SBI**	Secured by pari-passu charge on cash at ATMs, Cash dispensed recoverable from National Payments Corporation of India (NPCI) and margin money in the form of deposits.	Repayable on demand	7.90% to 8.95%	288.67	-	-
		Sub-total - (C)			**3,615.40**	**1,947.91**	**1,509.05**
		Total current borrowings - (A + B + C)			**11,821.08**	**8,444.84**	**4,212.31**

		As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
20	**Lease Liabilities**			
A	**Non-current**			
	Lease liabilities (*)	1,268.98	960.88	644.10
		1,268.98	**960.88**	**644.10**
B	**Current**			
	Lease liabilities (*)	598.35	435.14	384.99
		598.35	**435.14**	**384.99**
	(*) Refer Note 42			
21	**Other financial liabilities**			
A	**Non-current**			
	Security deposits	975.43	544.49	319.83
	Retention money payable	6.08	4.18	1.30
		981.51	**548.67**	**321.13**
B	**Current**			
	Dues to employees (**)	23.76	20.12	20.21
	Capital creditors	157.25	154.19	138.80
	Accrued expenses	19.09	15.35	9.67
	Overages	76.68	107.62	140.71
	Retention money payable	17.78	6.63	1.52
		294.56	**303.91**	**310.91**
	(**) Refer Note 40			
22	**Provisions**			
A	**Non-current**			
	Employee benefits			
	Gratuity (*)	20.53	19.65	16.24
	Provision for expenses			
	Share appreciation rights (**)	-	51.12	46.14
	Retirement of Property, plant and equipment	7.75	2.57	4.17
		28.28	**73.34**	**66.55**
B	**Current**			
	Employee benefits			
	Gratuity (*)	6.71	3.29	0.92
	Compensated absences (*)	18.90	15.77	12.34
		25.61	**19.06**	**13.26**
	(*) refer Annexure VI, note 36			
	(**) refer Annexure VI, note 45			
23	**Trade payables**			
	Dues to micro and small enterprises (refer note (a) below)			
	Accrued expenses	20.01	20.38	13.58
	Others	3.09	15.15	5.67
	Dues to other than micro and small enterprises			
	Accrued expenses	406.51	237.18	241.73
	Others	48.36	80.71	55.79
		477.97	**353.42**	**316.77**

Note: Dues to micro and small enterprises :

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

	31 March 2022	31 March 2021	1 April 2020
The principal amount remaining unpaid	23.10	35.53	19.25
Interest due thereon remaining unpaid	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
The amount of interest accrued during the period/year and remaining unpaid.	-	-	-
The amount of further interest remaining due and payable even in the succeeding 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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

23 Trade payables (cont'd)
Trade Payables ageing schedule:

Trade Payables as at 31 March 2022

Particulars	Outstanding for following period from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	20.01	3.08	0.01	-	-	23.10
(ii) Others	406.51	44.54	2.47	1.19	0.16	454.87
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

Trade Payables as at 31 March 2021

Particulars	Outstanding for following period from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	20.38	15.15	-	-	-	35.54
(ii) Others	237.18	72.64	-	1.50	6.57	317.89
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-

Trade Payables as at 1 April 2020

Particulars	Outstanding for following period from date of transaction					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	13.58	5.67	-	-	-	19.25
(ii) Others	241.73	51.45	-	4.33	-	297.52
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- others	-	-	-	-	-	-
(v) Unbilled due	-	-	-	-	-	-

24 Other liabilities

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
A Non-current			
Deferred liability on security deposits	1,021.22	600.85	357.40
	1,021.22	**600.85**	**357.40**
B Current			
Statutory dues payable	43.01	18.26	19.17
Deferred liability on security deposits	133.40	66.71	39.68
Income received in advance	0.04	0.10	0.18
	176.45	**85.07**	**59.03**

	Year ended 31 March 2022	Year ended 31 March 2021
25 Revenue from operations		
Sale of products		
Traded goods	9.19	1.70
Sale of services		
White label ATM	4,336.60	3,149.98
ATM managed services	-	0.21
POS - Technical services	10.78	24.09
Micro ATM - Technical services	0.44	-
Digital Services	0.21	-
	4,357.22	**3,175.98**
26 Other income		
Interest income (including unwinding of discount on deposits - asset)	52.97	44.56
Profit on sale of property, plant and equipment	3.35	4.11
Provisions and liabilities no longer required written back	68.16	42.58
Miscellaneous income	9.50	3.35
	133.98	**94.60**
27 Operating expenses		
ATM running cost	320.07	221.64
Security and housekeeping expenses	7.60	6.33
Switching and connectivity expenses	134.14	88.10
Cash delivery and loading expenses	1,001.69	679.27
Sponsor bank charges	56.72	35.55
Power and fuel	159.17	112.12
	1,679.39	**1,143.01**
28 Changes in inventories of stock-in-trade		
Purchases of stock-in-trade:		
Micro ATM	6.40	4.20
Micro POS	2.98	0.53
	9.38	**4.73**
Changes in Inventories of stock-in-trade:		
Opening Stock:	2.65	-
Closing Stock:	(0.16)	(2.65)
	2.49	**(2.65)**
29 Employee benefits expense		
Salaries, wages and bonus*	530.82	290.37
Share appreciation rights	37.59	4.98
Employee stock option expense**	172.42	-
Gratuity (refer note 35)	5.70	5.66
Contribution to provident and other funds	16.70	12.97
Staff welfare expenses	15.33	4.35
	778.56	**318.33**

*In Jan 2021, Company had introduced an employees incentive scheme, which was subsequently modified in August 2021. Under the employee incentive scheme, eligible employees on completion of specified milestone for the company, are eligible for bonus pay-out. During the year ended 31 March 2022, Company has recognised expenses of ₹ 158.53 millions in relation to such scheme.

**The Company has issued Employee Stock Options through adoption of INDIA1 Employee Stock Option Scheme 2021 and INDIA1 Employee Stock Option Plan 2021 (collectively, the 'Scheme') by replacing the existing Share Appreciation Rights with w.e.f. 26 August 2021. Based on the fair value of the new ESOPs as per the valuation report dated 25 Aug 2021, the Company has recorded ESOP reserve of ₹ 246.89 million during the year ended 31 March 2022 in accordance with Ind AS 102.

	Year ended 31 March 2022	Year ended 31 March 2021
30 Finance costs		
Interest expense	512.44	410.70
Interest expense on lease obligation	169.97	118.85
Unwinding of discounted deposits	67.51	34.58
Other borrowing costs	51.64	23.83
	801.56	**587.96**
31 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer Note 4)	581.65	417.82
Amortisation of intangible assets (Refer Note 6)	4.55	3.55
Depreciation of right of use of assets (Refer Note 5)	518.51	424.31
	1,104.71	**845.68**

	Year ended 31 March 2022	Year ended 31 March 2021
32 Other expenses		
Repairs & Maintenance		
- Plant and equipment	163.90	143.10
- Others	0.19	0.15
Insurance	86.01	55.76
Rent	3.57	1.71
Rates and taxes*	28.47	2.31
Payments to auditors (Refer note 35)	1.85	1.85
Travelling and conveyance	35.73	18.45
Outsourced manpower	13.06	10.59
Advertisement and sales promotion	75.99	66.69
Legal and professional	32.51	13.74
Property, plant and equipment written off	22.26	9.22
Advances written off	0.62	0.35
Communication charges	3.35	1.81
Marketing expenses	27.56	8.73
Computer software maintenance	5.97	3.03
Newspapers, magazines and periodicals	0.25	0.31
Printing and stationery	1.03	0.87
Courier expenses	1.03	0.75
Bank charges	3.47	1.75
Relocation and re-deployment charges	9.76	9.02
Provision for retirement of property, plant and equipment	5.17	-
Loss on modification of financial instruments (net)	1.64	1.25
Miscellaneous expenses	4.74	0.50
	528.13	**351.94**

* Reserve Bank of India('RBI') had issued a Show Cause Notice ('SCN') vide its letter reference DPSS.CO.OD.No. 718 /06.07.011/2020-21 dated 25 November 2020 asking for explanation for a) contravention of deployment guideline of 9,000 ATMs within a period of 3 years from the date of starting of operations and b) not maintaining the prescribed net-worth of ₹ 1,000 million between 31 Mar 2018 and 21 Aug 2019. The Company had responded to the aforesaid SCN on 4 December 2020 providing required explanation and with a request RBI to take a lenient view on this matter. On 13 August 2021, RBI vide speaking order imposed a penalty of ₹ 20.00 million in regards to the above violations directing the Company to pay the said penalty within 30 days of the receipt of the order, which the company has paid off and complied.

33 Exceptional items		
Expenditure incurred for listing and offer for sale of shares (Refer note 48 and note 35)	52.74	-
	52.74	**-**

34 Earnings / (Loss) per equity share		
Profit / (Loss) attributable to the equity shareholders for calculation of basic EPS before adjustment for restatement	(143.52)	47.65
Impact of restatement on net profit (Refer - Note 51C (6))	-	(14.27)
Profit / (Loss) attributable to the equity shareholders for calculation of basic EPS after adustment for restatement	(143.52)	33.38
Effect of dilutive potential equity shares	-	-
Profit / (Loss) attributable to the equity shareholders for calculation of diluted EPS before adjustment for restatement	(143.52)	47.65
Impact of restatement on net profit (Refer - Note 51C (6))	-	(14.27)
Profit / (Loss) attributable to the equity shareholders for calculation of diluted EPS after adjustment for restatement	(143.52)	33.38
Weighted average number of shares outstanding during the year for computing basic EPS (in numbers) (*)	24,451,441	18,497,296
Add: Effect of CCPS for computing basic EPS (in numbers) (*, **)	7,976,869	11,337,648
Weighted average number of shares outstanding during the year for computing basic EPS (in numbers) (*)	**32,428,310**	**29,834,944**
Earnings / (Loss) per share - After adjustment for restatement		
Basic (In ₹)	(4.43)	1.12
Diluted (In ₹)	(4.43)	1.12
Earnings / (Loss) per share - Before adjustment for restatement		
Basic (In ₹)	(4.43)	1.60
Diluted (In ₹)	(4.43)	1.60
Nominal value per share (In ₹) (*)	5.00	5.00

* The equity shares of the Company were sub-divided from equity shares of face value of ₹ 10 each into equity shares of face value of ₹ 5 each, pursuant to our Board and Shareholders' resolution passed on 13 August 2021 which resulted into increase in number of equity shares issued from 9,248,817 to 18,497,296. Similarly the impact on potential shares for conversion of CCPS has increased from 6,965,507 to 13,931,014. Refer Note 17(f).

In compliance with IND AS 33 "Earnings per share", the disclosure of earnings per share for the year ended 31 March 2022 and 31 March 2021, has been arrived at after giving effect to the above sub-division.

** In compliance with IND AS 33 "Earnings per share", for the purpose of calculating weighted average number of shares outstanding at each reporting date for computing basis EPS effect of CCPS has been included.

35 Payments to auditors *		
Statutory audit	1.85	1.85
IPO related fees charged (Refer note 33)	10.47	-
Reimbursement of expenses	0.01	-
	12.33	**1.85**

* Excluding Goods and Services Tax

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Financial Statements (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

36 Employee benefits

A Defined benefit plan

The Company has gratuity as defined benefit retirement plans for its employees. 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 at the rate of 15 days basic salary for each year of service until the retirement age. The plan assets were invested in insurer managed funds.

The following tables set out the funded status of gratuity plans and the amount recognized in Company's financial information:

	31 March 2022	31 March 2021
1 The amounts recognized in the Balance Sheet are as follows:		
Present value of the obligation as at the end of the year	27.24	22.93
Fair value of plan assets as at the end of the year	-	-
Net liability recognized in the Balance Sheet	**27.24**	**22.93**
2 Changes in the present value of defined benefit obligation		
Defined benefit obligation as at beginning of the reporting year	22.93	17.17
Current service cost	4.14	4.49
Interest cost	1.56	1.17
Actuarial (gains) / losses		
- change in demographic assumptions	(0.27)	(1.89)
- change in financial assumptions	(0.43)	(0.02)
- experience variance (i.e. actual experiences assumptions)	0.87	3.13
Benefits paid	(1.56)	(1.12)
Defined benefit obligation as at the end of the reporting year	**27.24**	**22.93**
Non-current	6.71	19.65
Current	20.53	3.28
3 Net gratuity cost		
Current service cost	4.14	4.49
Net interest cost on the net defined benefit liability	1.56	1.17
Components of defined benefit costs recognized in Balance Sheet	**5.70**	**5.66**
4 Other Comprehensive Income		
Actuarial loss for the year on PBO (Projected benefit obligation)	(0.17)	(1.22)
Components of defined benefit costs recognized in other comprehensive income	**(0.17)**	**(1.22)**
5 Assumptions used in the above valuations are as under:		
Discount rate	7.18%	6.80%
Future salary increase	9.00%	9.00%
Retirement age (years)	58-65	58-65
Mortality table	IALM (2012-14)	IALM (2012-14)
Attrition rate:		
Up to to 30 years	22.00%	5.90%
From 31 to 44 years	18.90%	14.70%
Above 44 years	10.00%	21.10%

6 Experience adjustments	**31 March 2022**	**31 March 2021**
Present value of obligation as at the end of year	27.24	22.93
Fair value of plan assets at the end of the year	-	-
Surplus / (Deficit)	(27.24)	(22.93)
Experience adjustment on plan Liabilities (loss) / gain	(0.17)	(1.22)
Experience adjustment on plan Assets (loss) / gain	-	-

7 Maturity profile of defined benefit obligation

Year	**31 March 2022**	**31 March 2021**
0 to 1 Year	6.71	3.29
1 to 2 Year	2.78	5.67
2 to 3 Year	2.44	2.28
3 to 4 Year	2.00	1.99
4 to 5 Year	1.71	1.70
5 to 6 Year	1.99	1.40
6 Year onwards	9.60	6.60

36 Employee benefits (cont'd)

B Compensated absences

	31 March 2022	31 March 2021
Assumptions used in accounting for compensated absences:		
i) Discounting Rate	7.18%	6.80%
ii) Future salary Increase	9.00%	9%
iii) Retirement Age (Years)	58/65	58/65
iv) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
v) Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	22.00%	5.90%
From 31 to 44 years	18.90%	14.70%
Above 44 years	10.00%	21.10%
vi) Leave		
Leave Availment Rate	5%	5%
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment rate while in service	5%	5%

C Sensitivity analysis

Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A) Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
C) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Sensitivity Analysis of the defined benefit obligation.

	31 March 2022	31 March 2021
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the year	27.24	22.93
Impact due to increase of 0.50%	(0.68)	(0.47)
Impact due to decrease of 0.50 %	0.72	0.49
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the year	27.24	22.93
Impact due to increase of 0.50%	0.57	0.48
Impact due to decrease of 0.50 %	(0.55)	(0.46)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There are no changes from the previous year in the methods and assumptions used in preparing the sensitivity analysis.

There is no change in the method of valuation as compared to prior years.

D Defined contribution plan

The Company makes contribution of statutory provident fund as per Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Scheme as per the Employees' State Insurance Act, 1948. This is a defined contribution and contribution made for the year ended 31 March 2022 ₹ 16.70 million and 31 March 2021: ₹ 12.97 million.

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Financial Statements (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

37 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is engaged in White Label ATM Operations (WLA), ATM managed services (MSP), Micro ATM (MATM), Digital offerings and POS Technical services (POS) which represent different business segments as they are subject to risks and returns that are not similar to each other. The Company operates only in India and there is no other geographical segment.

Accounting policies consistently used in the preparation of the financial information are also applied to record revenue and expenditure in individual segments.
Revenue and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other costs wherever allocable, are apportioned to the segments on an appropriate basis. Certain expenses are not specifically allocable to individual segments as underlying services are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such expense, and accordingly such expenses are separately disclosed as “unallocated” and are directly charged against total income.

Assets and liabilities in relation to segments are categorised based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly these are separately disclosed as ‘unallocated’.

Operating segments

		31 March 2022					31 March 2021				
		WLA (₹)	**MSP & BLA (₹)**	**POS (₹)**	**MATM & Digital (₹)**	**Total (₹)**	**WLA (₹)**	**MSP & BLA (₹)**	**POS (₹)**	**MATM (₹)**	**Total (₹)**
(i)	**Revenue**										
	External sales	4,336.59		13.42	7.21	4,357.22	3,149.98	0.21	24.09	1.70	3,175.98
	Other Income	133.35	-	0.41	0.22	133.98	92.30	-	2.30	-	94.60
	Total revenue from operations	**4,469.94**	**-**	**13.83**	**7.43**	**4,491.20**	**3,242.28**	**0.21**	**26.40**	**1.70**	**3,270.58**
(ii)	**Cost**										
	Cost	3,676.68		41.99	75.05	3,793.72	2,380.05	0.03	21.97	2.49	2,404.54
	Total Cost for operations	**3,676.68**	**-**	**41.99**	**75.05**	**3,793.72**	**2,380.05**	**0.03**	**21.97**	**2.49**	**2,404.54**
(iii)	**Results reconciliation**										
	Segment result	793.25	-	(28.16)	(67.62)	697.47	862.24	0.18	4.43	(0.79)	866.05
	Operating profit	**793.25**	**-**	**(28.16)**	**(67.62)**	**697.47**	**862.24**	**0.18**	**4.43**	**(0.79)**	**866.05**
(iv)	**Others**										
	Other Expenses (Unallocable)					5.78					-
						5.78	**-**	**-**	**-**	**-**	**-**
(v)	**Segment depreciation and amortisation**										
	Depreciation and amortisation expense	1,096.03	-	8.67	0.01	1,104.71	833.59	-	12.09	-	845.68
	Total depreciation	**1,096.03**	**-**	**8.67**	**0.01**	**1,104.71**	**833.59**	**-**	**12.09**	**-**	**845.68**
	Profit/(loss) before exceptional item and tax	**(302.79)**	**-**	**(36.83)**	**(67.64)**	**(413.02)**	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**20.36**
	Exceptional item					(52.74)					**-**
	Income taxes expense (Unallocated)					322.24					(12.11)
	Profit/ (Loss) for the year	**(302.79)**	**-**	**(36.83)**	**(67.64)**	**(143.52)**	**28.64**	**0.18**	**(7.67)**	**(0.79)**	**32.47**
(v)	**Other information**										
	Segment assets (property, plant and equipment)	5,351.72	-	17.39	0.10	5,369.21	3,713.49	-	29.40	0.25	3,743.14
	Segment assets (other than property, plant and equipment)	13,486.40	-	2.51	3.59	13,492.50	10,578.02	-	4.40	3.09	10,585.51
	Unallocated corporate assets					496.81	-	-	-	-	161.80
	Total assets	**18,838.11**	**-**	**19.90**	**3.69**	**19,358.53**	**14,291.51**	**-**	**33.80**	**3.34**	**14,490.45**
	Segment liabilities	17,282.60	-	4.37	5.16	17,292.13	12,520.22	-	7.06	0.01	12,527.29
	Total liabilities	**17,282.60**	**-**	**4.37**	**5.16**	**17,292.13**	**12,520.22**	**-**	**7.06**	**0.01**	**12,527.29**

38 Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories were as follows:

As at 31 March 2022

Particulars		FVTPL ₹	FVTOCI ₹	Amortized cost ₹	Total carrying value ₹	Total fair value ₹
Financial assets :						
Trade receivables	Note 13	-	-	8.99	8.99	8.99
Cash and cash equivalents including other bank balances (*)	Note 8, 14 & 15	-	-	12,563.48	12,563.48	12,563.48
Other financial assets	Note 8	-	-	721.07	721.07	721.07
Total financial assets		**-**	**-**	**13,293.54**	**13,293.54**	**13,293.54**
Financial liabilities :						
Borrowings (**)	Note 19	-	-	12,419.20	12,419.20	12,419.20
Lease Liability	Note 20	-	-	1,867.33	1,867.33	1,867.33
Trade payables	Note 23	-	-	477.97	477.97	477.97
Other financial liabilities	Note 24	-	-	1,276.07	1,276.07	1,276.07
Total financial liabilities		**-**	**-**	**16,040.57**	**16,040.57**	**16,040.57**

(*) including non-current bank deposits classified as other financial assets
(**) including current maturities of long term borrowings

As at 31 March 2021

Particulars		FVTPL ₹	FVTOCI ₹	Amortized cost ₹	Total carrying value ₹	Total fair value ₹
Financial assets :						
Trade receivables	Note 13	-	-	12.44	12.44	12.44
Cash and cash equivalents including other bank balances (*)	Note 8, 14 & 15	-	-	9,398.65	9,398.65	9,398.65
Other financial assets	Note 8	-	-	1,034.05	1,034.05	1,034.05
Total financial assets		**-**	**-**	**10,445.14**	**10,445.14**	**10,445.14**
Financial liabilities :						
Borrowings (**)	Note 19	-	-	9,146.95	9,146.95	9,146.95
Lease Liability	Note 20	-	-	1,396.02	1,396.02	1,396.02
Trade payables	Note 23	-	-	353.42	353.42	353.42
Other financial liabilities	Note 24	-	-	852.58	852.58	852.58
Total financial liabilities		**-**	**-**	**11,748.97**	**11,748.97**	**11,748.97**

(*) including non-current bank deposits classified as other financial assets
(**) including current maturities of long term borrowings

Notes to financial instruments

1 The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

2 Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: Quoted prices (unadjusted) in active markets for financial instruments.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability.

39 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial information.

Risk	Exposure arising from	Measurement
Credit risk	Balances with bank, cheque on hand, other bank balances, trade receivables, loans, financial assets, financial guarantees and investments	Ageing analysis and recoverability assessment
Liquidity risk	Borrowings, trade payables and other financial liabilities	Rolling cash flow forecasts
Market risk – security prices	Investment in securities	Sensitivity analysis

The Company's risk management is carried out by a central treasury department under policies approved by the board of directors. The board of directors provides principles for overall risk management, as well as policies covering specific areas, such interest rate risk, credit risk and investment of excess liquidity.

A Credit risk

Credit risk arises from cash and cash equivalent, other bank balances, trade receivables, loans and other financial assets.

Credit risk management

The Company assesses and manages credit risk of financial assets based on the following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting year. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company provides for expected credit loss based on the following:

Description	Asset group	Provision for expenses credit loss (*)	31 March 2022	31 March 2021
Balances with bank, cheque on hand, other bank balances, trade receivables, loans, financial assets, financial guarantees and investments	Low credit risk	12 months expected credit loss/life time expected credit loss	1,759.79	3,193.77
Trade receivables - WLA	Low credit risk	Life time expected credit loss or fully provided for	7.08	7.27
Trade receivables - Others	High credit risk	Life time expected credit loss or fully provided for	1.91	5.17

(*) A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting year. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

Credit risk exposure

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets:

31 March 2022

Particulars	Estimated gross carrying amount	Expected credit losses *	Carrying amount net of impairment provision
Trade receivables	10.48	1.49	8.99
Balances with banks	46.17	-	46.17
Other bank balance	880.04	-	880.04
Other financial assets	832.09	-	832.09

31 March 2021

Particulars	Estimated gross carrying amount	Expected credit losses *	Carrying amount net of impairment provision
Trade receivables	20.10	7.66	12.44
Balances with banks	1,347.90	-	1,347.90
Cheque on hand	0.01	-	0.01
Other bank balance	638.77	-	638.77
Other financial assets	1,199.42	-	1,199.42

* There were no reversal of provision for expected credit loss during the year ended 31 March 2022 and 31 March 2021.

B Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

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

31 March 2022

Particulars	**Less than 1 year**	**1 year to 5 years**	**5 years and above**	**Total**
Borrowings (*)	11,981.57	543.22	66.00	12,590.79
Lease liability	627.40	1,599.59	-	2,226.99
Trade payables	477.97	-	-	477.97
Other financial liabilities	295.32	11.42	2,182.80	2,489.54
Total	**13,382.26**	**2,154.23**	**2,248.80**	**17,785.29**

31 March 2021

Particulars	**Less than 1 year**	**1 year to 5 years**	**5 years and above**	**Total**
Borrowings (*)	8,615.21	582.75	186.95	9,384.91
Lease liability	456.55	1,234.43	0.05	1,691.02
Trade payables	353.42	-	-	353.42
Other financial liabilities	304.47	8.87	1,236.86	1,550.21
Total	**9,729.65**	**1,826.05**	**1,423.86**	**12,979.56**

(*) including current maturities of long-term borrowings

C Market risk

a Interest rate risk

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars (^)	**31 March 2022**	**31 March 2021**
Variable rate borrowing	3,615.40	1,947.91
Fixed rate borrowing	8,799.00	7,191.81

(^) Excluding adjustment for processing fee for current borrowings

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	**31 March 2022**	**31 March 2021**
Interest rates – increase by 50 basis points (50 bps)	(18.08)	(9.74)
Interest rates – decrease by 50 basis points (50 bps)	18.08	9.74

40 Related parties

Names of related parties

i) Controlling entity

Name of the party	Nature of relationship
The Banktech Group Pty Ltd	Ultimate Holding Company

ii) Entities under common control

Entities under common control	Nature of relationship
BTI Payments Singapore Pte Ltd.	Fellow subsidiary

iii) Party with significant influence

Name of the party	Nature of relationship
India Advantage Fund S3 I	Significant Shareholder
India Advantage Fund S4 I	Significant Shareholder

iv) Key Management Personnel

Name	Nature of relationship
Mr. K Srinivas	Chief Executive Officer and Managing Director (*)
Mr. Sanjay Bajaj	Company secretary (till 01 August 2021)
	Chief Financial Officer (w.e.f. 02 August 2021)
Mr. Mohit Nagar	Company secretary (w.e.f. 02 August 2021)
Mr. David Scott Glen	Non-Executive Director and Nominee shareholder
Mr. Peter A Blackett	Non-Executive Director and Nominee shareholder

	31 March 2022	31 March 2021
a) Transactions with related parties		
Remuneration to KMP *		
Mr. K Srinivas		
Short-term employee benefits**	60.71	25.74
Post employment benefits - provident fund*	1.49	1.66
Share based employee expense	63.75	2.37
Mr. Sanjay Bajaj		
Short-term employee benefits**	25.79	10.36
Post employment benefits - provident fund*	0.63	0.75
Share based employee expense	23.28	0.48
Mr. Mohit Nagar		
Short-term employee benefits**	1.13	-
Post employment benefits - provident fund*	0.01	-
Share based employee expense	0.07	-
Issue of Series A Compulsorily Convertible Preference shares (CCPS) of ₹ 10 each		
BTI Payments Singapore Pte Ltd	-	445.19
b) Balances with related parties		
Remuneration to KMP		
Mr. K Srinivas		
Short-term employee benefits payable**	2.97	2.74
ESOP Reserve	89.19	-
Employee incentive scheme	-	25.43
Mr. Sanjay Bajaj		
Short-term employee benefits payable**	1.26	1.11
ESOP Reserve	28.47	-
Employee incentive scheme	-	5.09
Mr. Mohit Nagar		
Short-term employee benefits payable**	0.13	-
ESOP Reserve	0.07	-

* Post-employment benefits comprising gratuity and other benefits are not disclosed as these are determined for the Company as a whole.
** Short term benefits and short term benefits payable comprising compensated absences are not disclosed as it is determined for the Company as a whole.
*** It was resolved in the board meeting held on 13 August, The Company had alloted 310 equity shares of Rs.5/- each against the conversion of 110 CCPS of Rs.10 each/- at a conversion ratio of 1:2.8210 equity share of ₹ 5 per CCPS to India Advantage Fund S4 I.
It was resolved in the board meeting held on 26 October 2021, The Company had alloted 6,407,956 and 6,965,507 equity shares of Rs.5/- each against the conversion of 2,271,495 and 2,469,136 CCPS of Rs.10 each/- at a conversion ratio of 1:2.8210 equity share of ₹ 5 per CCPS to India Advantage Fund S4 I and BTI Payments Singapore Pte Ltd respectively.

41 Capital management

The Company’s objectives when managing capital are to:
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce
The Company monitors its capital using gearing ratio, which is net debt divided by total equity. Net debt includes long term borrowings, short term borrowings, current maturities of long term borrowings less cash and cash equivalents, other bank balances and cash dispensed recoverable.

Debt Equity ratio

Particulars	**31 March 2022**	**31 March 2021**
Non-current borrowings	493.17	598.12
Current maturities of long-term borrowings	104.95	103.99
Current borrowings	11,821.08	8,444.84
Less: Cash and cash equivalents	(11,572.42)	(8,594.51)
Less : Bank balances other than cash and cash equivalents***	(991.06)	(804.14)
Less : Cash dispensed recoverable**	(517.81)	(857.50)
Net debt	**(662.09)**	**(1,109.20)**
Adjusted net debt (i)*	**-**	**-**
Total equity (ii)	2,066.40	1,963.16
Gearing ratio (i)/(ii)	**0.00%**	**0.00%**

* The balance of cash and cash equivalents, other bank balances and cash dispensed recoverable is adjusted to the extent of borrowings extending as at the reporting date.
** This is included only for the purpose of the Company's capital management and does not form part of cash and cash equivalents.
(i) Equity includes all capital and reserves of the Company that are managed as capital
(ii) Debt is defined as long term , short term borrowings and current maturities of long-term borrowings
In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in any of the periods presented.

No changes were made in the objectives, policies or processes for managing capital during the each of the reporting year ended 31 March 2022 and 31 March 2021
*** Includes bank deposits incldued in other non-current financial assets

42 Leases

The Company's significant leasing arrangements are in respect of leases for ATMs, land leases and office premises. The ATMs have been taken on lease for a term of 5 years with no escalation clause. Land leases are in respect of premises for setting up ATMs. These premises are generally rented on lease term ranging from 11 months to 5 years with no lock-in period and with escalation clause. Such leases are cancellable only at the option of the lessee and are renewable on mutual consent at agreed terms. Leases for office premises have a lease term ranging from 11 months to 10 years with escalation clause. There are no subleases.

Following are the changes in the carrying value of right of use assets:

Particulars	**31 March 2022**	**31 March 2021**
Net block at the beginning of the reporting period	1,331.83	1,012.51
Additions during the reporting period (net of disposals/renewals)	893.53	743.63
Depreciation for the reporting period	(518.51)	(424.31)
Net block at the end of the reporting period	**1,706.85**	**1,331.83**

The following is the movement in lease liabilities:

Particulars	**31 March 2022**	**31 March 2021**
At the beginning of the reporting period	1,396.03	1,029.09
Additions during the period/year	902.70	757.09
Interest expense	169.97	118.85
Lease payments - Principal	(422.92)	(388.65)
Lease payments - Interest	(169.97)	(118.85)
(Gain) /Loss on modification of financial instrument	(8.47)	(1.50)
At the end of the reporting period	**1,867.34**	**1,396.03**
Current	598.35	435.14
Non-current	1,268.98	960.88

The maturity analysis of lease liabilities are disclosed below:

	31 March 2022	**31 March 2021**
Not later than one year	627.40	456.56
Later than one year and not later than five year	1,599.59	1,234.42
Later than five years	-	0.05
Interest cost	(359.66)	(295.01)
Total	**1,867.33**	**1,396.02**

The following are the amounts recognised in profit & loss

	31 March 2022	**31 March 2021**
	Ind AS	**Ind AS**
Depreciation expense of right-of-use assets	518.51	424.31
Interest expense on lease liabilities	169.97	118.85
Loss /(gain) on modification of financial instrument (net)	(8.47)	(2.82)
Expense relating to short term leases	3.57	1.71
Total amount recognised in profit or loss	**683.58**	**542.05**

43 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	31 March 2022	31 March 2021
Current		
Floating charge		
Cash at ATM*	11,526.25	7,246.60
Other bank balances	880.04	638.77
Other current financial assets*	517.81	857.50
Total current assets pledged as securities	**12,924.10**	**8,742.87**
Non-current assets		
First charge		
Property, plant and equipment	783.28	885.53
Floating charge		
Other non-current financial assets*	111.02	165.37
Total non-current assets pledged as securities	**894.29**	**1,050.90**
Total assets pledged as security	**13,818.40**	**9,793.77**

(*) Working capital loan and Bank overdraft are secured by pari-passu charge on cash at ATM, cash dispensed recoverable and bank depsots availed from banks and NBFC to the extent of working capital loans drawn. Refer note 41.

44 Disclosures required under Ind AS 115 (Revenue from contract with customers)

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to the Statement of Profit and Loss:

	31 March 2022	31 March 2021
Revenues by category and nature		
Sale of products	9.19	1.70
Sale of services	4,348.03	3,174.28
	4,357.22	**3,175.98**
Revenues based on timing of recognition		
Services transferred at a point in time	4,356.42	3,175.14
Services transferred over time	0.80	0.84
	4,357.22	**3,175.98**

Significant changes in contract assets and contract liabilities during the year are as follows:

Assets and liabilities related to contracts with customers

	31 March 2022	31 March 2021
Trade receivables	8.99	12.44

Trade receivables are non-interest bearing and are generally on terms of 0-90 days.

45 Share based Payments

a) Employee Share appreciation rights

Employee Share Appreciation Rights (ESARs) to eligible employees and cancelled 18,43,009 : 31 March 2022, and 31,554 : 31 March 2021. ESARs due to separation or otherwise, under the employee performance & retention incentive scheme 2014 as approved by the Committee formed under the Plan vide Board Resolution dated 12 August 2014.

Following is the reconciliation of provision for ESAR outstanding -

Particulars	31 March 2022 Numbers	31 March 2022 Amount	31 March 2021 Numbers	31 March 2021 Amount
Opening balance as at the beginning of the year	1,883,581	51.12	1,915,135	46.14
ESARs granted during the year	-	-	-	-
ESARs cancelled during the year	(1,843,009)	(74.45)	(31,554)	(0.22)
Payment towards ESARs vested	(40,572)	(0.26)	-	-
Balance	-	(23.60)	1,883,581	45.92
Accrual for the year at previous year FMV		23.60		2.54
Impact of increase in FMV of equity shares		-		2.66
Closing balance as at the end of the year	**-**	**-**	**1,883,581**	**51.12**

Vesting of ESARs was subject to continued employment with the Company. The ESARs should have been cash settled based on the excess of fair market value (FMV) of equity share of the Company as on the date of vesting over the SAR price (i.e. the base price defined on the grant date of SAR) specified in the Scheme. The FMV was determined by the Committee based on the discounted cash flow valuation and other relevant factors. As at 31 March 2021, excess of FMV over SAR price specified in the employee performance & retention incentive scheme 2014 is ₹ 51.12 million and accordingly an expense of ₹ 4.98 million had been recorded in the Statement of profit and loss. The FMV of the ESARs was determined as on the date of final settlement as ₹ 74.45 million and accordingly an expense of ₹ 23.60 million was recorded during the year ended 31 March 2022. The settlement was made during the year ended 31 March 2022 as ₹ 14.25 million in form of cash settlement against which an expense of ₹ 13.99 million was recorded in Statement of Profit and Loss for the year ended 31 March 2022 and fresh 4,304,808 ESOPs were issued for settlement of balance ESARs.

b) INDIA1 Employee Stock Option Plan 2021 (“ESOP Plan”)

The Company has established the ESOP Plan pursuant to resolution of our Board of Directors and Shareholders’ each dated 26 August 2021 which provides for a pool of 4,390,000 options, wherein the company have granted 4,304,808 options exercisable into 4,304,808 Equity Shares with vesting period of one year and additional issuance of 77,708 options exercisable into 77,708 Equity Shares with vesting period of one year during the financial year 21-22. The exercise price of each option shall be 150/- per equity share. The options vest in the manner as specified in ESOP plan. Options may be exercised within 8 years from the date of vesting.

The following table illustrates the number and exercise prices of, and movements in, share options during the year :

Particulars	31 March 2022 Numbers	31 March 2022 Weighted average Exercise Price
Granted as settlement of ESARs	4,304,808	150.00
Granted during the year	77,708	150.00
Lapsed during the year	(22,343)	150.00
Exercised during the year	-	-
Expired during the year	-	-
Outstanding balance as at the end of the year	**4,360,173**	**150.00**
Exercisable balance as at the end of the year	-	-

46 Contingencies and commitments

The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on 28 February 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company has made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

	31 March 2022	31 March 2021
Capital commitments (net of capital advances)	849.06	724.59

47 Estimation of uncertainties relating to the global health pandemic from COVID-19

Pursuant to relaxations by granted by the Ministry of Home Affairs ('MHA'), the business of the Company was classified as essential services and the Company continued to work in accordance with the extant guidelines issued by the MHA and respective state governments and the affect of economic disruption was minimal to the Company's business.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial information has used internal sources of information including economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial information may differ from that estimated as at the date of approval of these financial information.

48 Initial Public Offering (IPO)

The Company has proposed raising of capital through an Initial Public Offering (IPO). As part of the proposed IPO, the Company filed its Draft Red Herring Prospectus with Securities & Exchange Board of India (SEBI) on 07 September 2021 for a proposed Initial Public Offering (IPO) of its equity shares. The Issue related expenses include, among others, fees payable to the Book Running Lead Managers (BRLMs), legal and professional fees, accountants' fees relating to prospectus including Auditor's fees, listing fees and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Issue related expenses except for listing fees shall be shared by the Company and the Selling Shareholders in proportion to the number of Equity Shares being issued or offered (by selling shareholders referred as 'offer for sale', as the case may be, by each of them in the Fresh Issue and the Offer for Sale. Any payments by the Company of Issue related expenses, except for listing fees, on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders to the Company. However, in the event that the Issue is withdrawn by the Company or not completed for any reason whatsoever, all the expenses will be solely borne by the Company.

Basis relevant guidance available under Ind AS 37, the reimbursements shall be recognised when, and only when, it is virtually certain that reimbursement will be received, if the entity settles the obligation. Till the reporting date, Company has incurred ₹ 62.09 million as issue related expenses. Out of total expenses of ₹ 62.09 million, ₹ 9.35 million which relates to fresh issue of equity shares has been recognized as 'Prepaid expenses' under 'Other current assets'. The total expense in relation offer for sale of ₹ 52.74 million is recorded in Statement of Profit and Loss as exceptional item. However, in absence of virtual certainty, the Company has not recorded reimbursement receivable from the Selling Shareholders.

49 Events occurring after the reporting date

No adjusting or significant non-adjusting events have occurred between 31 March 2022 and the date of authorization of the Financial Statements.

50 Ratios

a) Current Ratio

Particulars	31 March 2022	31 March 2021
Current assets	13,239.71	10,339.05
Current liabilities	12,125.04	9,206.30
Current ratio	**1.09**	**1.12**
% change from previous year	**-2.77%**	

Current assets include inventories, current investments, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and other current assets.

Current liabilities include borrowings, trade payables, other financial liabilities, current provisions and other current liabilities (excluding current maturities of long term borrowings).

b) Debt-Equity ratio

Particulars	31 March 2022	31 March 2021
Non-current borrowings	493.17	598.12
Current maturities of long-term borrowings	104.95	103.99
Overdraft/ working capital	11,821.08	8,444.84
Total debt	12,419.20	9,146.95
Adjusted debt*	598.12	702.11
Total equity	2,066.40	1,963.16
Debt-equity ratio	**6.01**	**4.66**
% change from previous year	**28.99%**	
Note	**1**	
Adjusted Debt-equity ratio	**0.29**	**0.36**
% change from previous year	**-19.07%**	

* Bank overdrafts and short term working capital loans are drawn for the purpose of replenishing Cash at ATMs which varies during the month due to high demand (peak) period, festivities, long holidays etc and repaid within an average period of 3.84 days and 3.85 days, respectively for the year ended 31 March 2022 and 31 March 2021, being computed by dividing average Bank overdrafts and short term working capital loans utilization amount by the daily average dispense amount.

As of the year, Company has cash and cash equivalents, bank balances (other than cash and cash equivalents) and cash dispensed recoverable aggregating to ₹12,044.06 million and ₹ 8,104.10 million as of 31 March 2022 and 31 March 2021 respectively.

Reason for change more than 25%:

1. Nature of business of the Company requires continuous increase in Overdraft/ working capital because of increase in number of ATMs deployed to replenish additional requirement of cash at ATMs. With the increase in ATM counts, overdraft/working capital amount increases, leading to changes in Debt-Equity ratio. Further, Overdraft / working capital utilization amount also varies during the month due to high demand (peak) period, festivities, long holidays etc.

50 Ratios (cont'd)

c) Debt Service coverage ratio

Particulars	**31 March 2022**	**31 March 2021**
Profit/ (loss) after exceptional items and tax	(143.52)	33.38
Add: Depreciation and amortisation expense	1104.71	845.68
Add: Interest on long term loans	61.97	47.22
Add: Interest on lease liabilities	169.97	118.85
Less: Profit on sale of property, plant and equipment	(3.35)	(4.11)
Earnings available for debt services	**1,189.78**	**1,041.02**
Repayments made during the year		
Interest paid on long term loans	(59.35)	48.10
Interest paid on lease liabilities	169.97	118.85
Principal repayment for long term loans	109.82	542.71
Principal repayment for lease liabilities	422.92	388.65
Total interest and principal repayments	**643.36**	**1,098.31**
Debt service coverage ratio	**1.85**	**0.95**
% change from previous year	**95.11%**	

Reason for change more than 25%:
1) During the previous year ended 31 March 2021, the Company had prepaid the outstanding term loans while there is no such prepayment of loans in current year due to which there is increase in debt service coverage ratio in the current year ended 31 March 2022.
2) During the year ended 31 March 2022, the Company's profits were adversely impacted due to certain expenses which were not incurred during previous year (i.e., ESOP expense ; ₹ 172.42 million (refer note 29), Share appreciation rights expense till date of modification : ₹ 37.59 million as compared to ₹ 4.98 in previous year (refer note 29), Employee incentive scheme : ₹ 158.53 million (refer note 29), Penalties (refer note 32) : ₹ 20 million and exceptional item : ₹ 52.74), which are incurred during current year and there were no such expenses during previous year.

d) Return on equity

Particulars	**31 March 2022**	**31 March 2021**
Profit/(loss) for the year	(143.52)	33.38
Average Shareholding	2,014.78	1,724.33
Return on equity	**-7.12%**	**1.94%**
% change from previous year	**-467.98%**	
Adjusted Profit/(loss) for the year (excluding non-recurring expenses)	297.76	33.38
Adjusted Return on equity	**14.78%**	**1.94%**
% change from previous year	**663.44%**	

Reason for change more than 25%:
1) During the year ended 31 March 2022, the Company's profits were adversely impacted due to certain expenses which were not incurred during previous year (i.e., ESOP expense ; ₹ 172.42 million (refer note 29), Share appreciation rights expense till date of modification : ₹ 37.59 million as compared to ₹ 4.98 in previous year (refer note 29), Employee incentive scheme : ₹ 158.53 million (refer note 29), Penalties (refer note 32) : ₹ 20 million and exceptional item : ₹ 52.74), which are incurred during current year and there were no such expenses during previous year.
2) During the year ended 31 March 2022, our ATM base has increased by 37% (10,988 ATMs on 31 March 2022 as compared to 8,022 ATMs as on 31 March 2021), leading to total income increasing by 37.3% during the year ended 31 March 2022 compared to year ended 31 March 2021.

e) Inventory turnover ratio

Particulars	**31 March 2022**	**31 March 2021**
Sale of goods	9.19	1.70
Opening inventories of finished goods	2.65	-
Closing inventories of finished goods	0.16	2.65
Average inventories of finished goods	**1.41**	**1.33**
Inventory turnover ratio	**6.54**	**1.28**
% change from previous year	**409.74%**	

Reason for change more than 25%:
Increase in inventory turnover ratio is due to new business segment (Micro ATM) introduction during year ended 31 Mar 2021.

f) Trade receivable turnover ratio

Particulars	**31 March 2022**	**31 March 2021**
Revenue from operations	4,357.22	3,175.98
Opening gross trade receivables	20.10	31.70
Closing gross trade receivables	10.48	20.10
Average gross trade receivables	**15.29**	**25.90**
Trade receivables turnover ratio	284.97	122.62
% change from previous year	**132.40%**	
Trade receivables collection period	**1.28**	**2.98**
% change from previous year	**-56.97%**	

Reason for change more than 25%:
Consistent improvement in trade receivable turnover ratio and reduction in trade receivable collection period is due to increase in settlement cycle by NPCI. With effect from 05 July 2021, receivable settlement happens 4 times in a day. Prior to this change, receivable settlement used to happen 2 times in a day.

g) Trade payables turnover ratio

Particulars	**31 March 2022**	**31 March 2021**
Total credit purchases	2,216.90	1,499.68
Opening trade payables	368.77	326.44
Closing trade payables	497.06	368.77
Average trade payables	432.91	347.61
Trade payables turnover ratio	**5.12**	**4.31**
% change from previous year	**18.79%**	

India1 Payments Limited (formerly known as India1 Payments Private Limited and BTI Payments Private Limited)
Notes to Financial Statements (cont'd)
(All amounts in ₹ millions, unless otherwise mentioned)

50 Ratios (cont'd)

h) Net capital turnover ratio

Particulars	31 March 2022	31 March 2021
Revenue from operations	4,357.22	3,175.98
Current assets	13,239.71	10,339.05
Current liabilities	12,125.04	9,206.30
Working capital	1,114.67	1,132.75
Net capital turnover ratio	**3.91**	**2.80**
% change from previous year	**39.64%**	

Reason for change more than 25%:
Company's nature of business requires continues increase in overdraft/ working capital to replenish cash in our ATMs. With the increase in ATM counts, overdraft/working capital amount increases and corresponding cash and cash equivalents comprising of balances with bank and cash at ATM also increases. Further, revenue settlement happens 4 times in a day whereas payment for purchases and services happens as per the payment terms, typically 30 days from the submission of the invoice.

i) Net Profit ratio

Particulars	31 March 2022	31 March 2021
Profit / (loss) for the year	(143.52)	33.38
Revenue from operations	4,357.22	3,175.98
Net Profit ratio	**-3.29%**	**1.05%**
% change from previous year	**-413.40%**	
Adjusted Profit/(loss) for the year (excluding certain expenses mentioned in below note)	297.76	33.38
Adjusted Net Profit ratio	**6.83%**	**1.05%**
% change from previous year	**550.20%**	

Reason for change more than 25%:
1. During the year ended 31 March 2022, the Company's profits were adversely impacted by 10.13 percentage points due to certain expenses which were not incurred during previous year. Normalised for such expenses (ESOP expense ; ₹ 172.42 million (refer note 29), Share appreciation rights expense till date of modification : ₹ 37.59 million as compared to ₹ 4.98 in previous year (refer note 29), Employee incentive scheme : ₹ 158.53 million (refer note 29), Penalties (refer note 32) : ₹ 20 million and exceptional item : ₹ 52.74). Adjusted net profit ratio is 06.83%
2. During the year ended 31 March 2022, our ATM base has increased by 37% (10,988 ATMs on 31 March 2022 as compared to 8,022 ATMs as on 31 March 2021), leading to total income increasing by 37.3% during the year ended 31 Mar 2022 compared to year ended 31 March 2021.

j) Return on capital employed

Particulars	31 March 2022	31 March 2021
Profit/ (loss) after tax	(143.52)	33.38
Add/(less): Tax expenses/(credit)	(322.24)	(11.80)
Add: Finance costs	801.56	587.96
Earnings before interest and tax	**335.80**	**609.54**
Add: Exceptional items*	52.74	-
Adjusted Earnings before interest, tax and exceptional items	**388.54**	**609.54**
Equity	2,066.40	1,963.16
Long term debt	598.12	702.11
Short term debt	11,821.08	8,444.84
Capital employed	**14,485.60**	**11,110.11**
Adjusted Capital employed (excluding Short term debt, being used for cash at ATMs and Cash dispensed recoverable)	2,664.52	2665.27
Pre-tax return on capital employed	**2.32%**	**5.49%**
% change from previous year	**-57.75%**	
Adjusted pre-tax return on capital employed	**14.58%**	**22.87%**
% change from previous year	**-36.24%**	

* The Company has incurred non-recurring expenses during the year ended 31 March 2022 in relation to listing of shares and offer for sale of shares in proposed Initial Public Offering.
Reason for change more than 25%:
During the year ended 31 March 2022, the Company's ROCE was adversely impacted by 16.56 percentage points due to certain expenses which were not incurred during previous year. Normalised for such expenses (ESOP expense ; ₹ 172.42 million (refer note 29), Cash settlement towards SAR for exited employees : ₹ 37.59 million as compared to ₹ 4.98 in previous year (refer note 29), Employee incentive scheme : ₹ 158.53 million (refer note 29), Penalties : ₹ 20 million (refer note 32) and exceptional item : ₹ 52.74), Adjusted Pre-tax ROCE would be 14.58%

51 First time adoption of Ind AS

The accounting policies set out in Notes have been applied in preparing the financial statements for the year ended 31 March 2022, the comparative information presented in these financial information for the year ended 31 March 2021 and opening balance sheet for as at 01 April 2020 using the transition date of 01 April 2020 and applying the same accounting policy changes to year ended 31 March 2022.

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.
The basis of preparation of these Financial Statements is set out in Note 2.1.

A Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

Ind-AS 101, 'First-time Adoption of Indian Accounting Standards', allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The Company has accordingly applied the following exemptions.

A.1.1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 'First-time Adoption of Indian Accounting Standards' permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, 'Intangible Assets' respectively. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

A.1.2 Leases

Following are the optional exemptions provided in the standard which have been applied in transition to Ind-AS 116:
● Application of a single discount rate to a portfolio of leases with reasonably similar characteristics.
● Excluding initial direct costs from the measurement of ROU assets at the date of initial application.
● Use of hindsight, such as determining the lease term if the contract contains options to extend or terminate the lease.
● Application of Ind AS 116 only to contracts that were previously identified as leases under the previous GAAP.
● Not separating non-lease components from lease-components and instead accounted for each lease component and any associated non-lease components as a single lease component.

A.2 Ind AS mandatory exemptions

A.2.1 Estimates

An entity's estimates in accordance with Ind AS's at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

A.2.2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109, 'Financial Instruments' are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:
a) The effects of the retrospective application or retrospective restatement are not determinable;
b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

A.2.3 De-recognition of financial assets and liabilities

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires a first-time adopter to apply the de-recognition provisions of Ind AS 109,'Financial Instruments' prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101, 'First-time Adoption of Indian Accounting Standards' allows a first-time adopter to apply the de-recognition requirements in Ind AS 109,'Financial Instruments' retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109,'Financial Instruments' to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109,'Financial Instruments' prospectively from the date of transition to Ind AS.

B Reconciliations between previous GAAP and Ind AS

Ind AS 101, 'First-time Adoption of Indian Accounting Standards' requires an entity to reconcile equity, total comprehensive income and cash flows for prior years. The following tables represent the reconciliations from previous GAAP to Ind AS.

51 First time adoption of Ind AS (cont'd)

B Reconciliations between previous GAAP and Ind AS (cont'd)
a) Reconciliation of Balance Sheet as at 31 March 2021

Particulars	Notes to first time adoption	As at 31 March 2021			
		IGAAP*	Adjustments	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, Plant and Equipment		2,400.38	-	-	2,400.38
Right-to-use	1,2	-	-	1,331.83	1,331.83
Intangible assets		10.93	-	-	10.93
Financial assets					
Other financial assets	2	361.76	-	(115.51)	246.25
Deferred tax assets (net)	6	149.67	(14.27)	18.91	154.31
Non-current tax assets (net)		7.50	-	-	7.50
Other non-current assets		0.20	-	-	0.20
		2,930.44	**(14.27)**	**1,235.23**	**4,151.40**
Current Assets					
Inventories		2.65	-	-	2.65
Financial assets					
Trade receivables	4	12.53	-	(0.09)	12.44
Cash and cash equivalents	9, 10(c)	8,547.95	46.32	0.24	8,594.51
Bank balances other than cash and cash equivalents	9	627.02	-	11.75	638.77
Other financial assets	2,9	875.86	-	77.31	953.17
Other current assets	3	177.09	-	(39.58)	137.51
		10,243.10	**46.32**	**49.63**	**10,339.05**
Total Assets		**13,173.54**	**32.05**	**1,284.86**	**14,490.45**
EQUITY AND LIABILITIES					
Equity					
Share capital		92.49	-	-	92.49
Instruments entirely equity in nature and present separately		49.38	-	-	49.38
Other equity	d)	1,891.79	(14.27)	(56.23)	1,821.29
Total Equity		**2,033.66**	**(14.27)**	**(56.23)**	**1,963.16**
Non Current Liabilities					
Financial liabilities					
Borrowings	3	613.17	-	(15.05)	598.12
Lease liabilities	1	-	-	960.88	960.88
Other financial liabilities	3, 10(b)	1,242.12	4.18	(697.63)	548.67
Provisions	10(a)	85.42	(12.08)	-	73.34
Other non-current liabilities	3	3.98	-	596.87	600.85
		1,944.69	**(7.90)**	**845.07**	**2,781.86**
Current liabilities					
Financial liabilities					
Borrowings	8, 10(c)	8,501.12	46.32	1.39	8,548.83
Lease liabilities	1	-	-	435.14	435.14
Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises		15.15	-	-	15.15
(B) total outstanding dues of creditors other than (A) above	8	345.49	-	(7.22)	338.27
Other financial liabilities	3, 10(b)	308.09	(4.18)	-	303.91
Other current liabilities	3	18.36	-	66.71	85.07
Provisions	10(a)	6.98	12.08	-	19.06
		9,195.19	**54.22**	**496.02**	**9,745.43**
Total Equity and Liabilities		**13,173.54**	**32.05**	**1,284.86**	**14,490.45**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

51 First time adoption of Ind AS (cont'd)

B Reconciliations between previous GAAP and Ind AS (cont'd)

b) Reconciliation of Balance Sheet as at 01 April 2020

Particulars	Notes to first time adoption	As at 01 April 2020			
		IGAAP*	Adjustments	Ind AS adjustments	Ind AS
ASSETS					
Non-current assets					
Property, Plant and Equipment		1,701.35	-	-	1,701.35
Right-to-use	1,2	21.25	-	991.26	1,012.51
Intangible assets		9.01	-	-	9.01
Financial assets					
Other financial assets	2	262.93	-	(46.38)	216.55
Deferred tax assets (net)	6	125.94	-	16.26	142.20
Non-current tax assets (net)		13.46	-	-	13.46
Other non-current assets		0.27	-	-	0.27
		2,134.21	**-**	**961.14**	**3,095.35**
Current Assets					
Financial assets					
Trade receivables	4	14.70	-	(0.96)	13.74
Cash and cash equivalents	9	4,816.67	-	0.26	4,816.93
Bank balances other than cash and cash equivalents	9	361.85	-	14.24	376.09
Other financial assets	2,9	268.06	-	(1.64)	266.42
Other current assets	3	140.17	-	(23.38)	116.79
		5,601.45	**-**	**(11.48)**	**5,589.97**
Total Assets		**7,735.66**	**-**	**949.66**	**8,685.32**
EQUITY AND LIABILITIES					
Equity					
Share capital		92.49	-	-	92.49
Instruments entirely equity in nature and present separately		38.39	-	-	38.39
Other equity	d)	1,400.89	-	(46.27)	1,354.62
Total Equity		**1,531.77**	**-**	**(46.27)**	**1,485.50**
Non Current Liabilities					
Financial liabilities					
Borrowings	3	369.30	-	(1.13)	368.17
Lease liabilities	1	-	-	644.10	644.10
Other financial liabilities	3, 10(b)	734.44	1.30	(414.61)	321.13
Provisions	10(a)	77.67	(11.12)	-	66.55
Other non-current liabilities	3	13.26	-	344.14	357.40
		1,194.67	**(9.82)**	**572.50**	**1,757.35**
Current liabilities					
Financial liabilities					
Borrowings	8	4,355.45	-	2.06	4,357.51
Lease liabilities	1	0.05	-	384.94	384.99
Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises		5.67	-	-	5.67
(B) total outstanding dues of creditors other than (A) above	8	314.36	-	(3.26)	311.10
Other financial liabilities	3, 10(b)	312.21	(1.30)	-	310.91
Other current liabilities	3	19.34	-	39.69	59.03
Provisions	10(a)	2.14	11.12	-	13.26
		5,009.22	**9.82**	**423.43**	**5,442.47**
Total Equity and Liabilities		**7,735.66**	**-**	**949.66**	**8,685.32**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B Reconciliations between previous GAAP and Ind AS (cont'd)

c) Reconciliation of Statement of Profit and Loss for the year ended 31 March 2021 as previously reported under IGAAP and Ind AS :

Particulars	Notes to first time adoption	IGAAP	Adjustments	Ind AS adjustments	Ind AS
Revenue					
Revenue from operations		3,175.98	-	-	3,175.98
Other income	2	75.38	-	19.22	94.60
		3,251.36	**-**	**19.22**	**3,270.58**
Expenses					
Operating expenses	1	1,683.41	-	(540.40)	1,143.01
Purchases of stock-in-trade		4.73	-	-	4.73
Changes in inventories of stock-in-trade		(2.65)	-	-	(2.65)
Employee benefits expense	5	319.55	-	(1.22)	318.33
Finance costs	3, 10(d)	411.58	23.83	152.55	587.96
Depreciation and amortisation expense	1,2	421.37	-	424.31	845.68
Other expenses	1,10(d)	380.40	(23.83)	(4.63)	351.94
Total Expenses		**3,218.39**	**-**	**30.61**	**3,249.00**
Profit before tax		**32.97**	**-**	**(11.39)**	**21.58**
Tax expense					
- Current tax		-	-	-	-
- Deferred tax credit	6	(23.72)	14.27	(2.35)	(11.80)
Profit for the year		**56.69**	**(14.27)**	**(9.04)**	**33.38**
Other comprehensive income/(loss)					
(a) Items that will not be reclassified to profit or loss					
(i) Re-measurement of gains/(losses) on defined benefit plans	5	-	-	(1.22)	(1.22)
(ii) Income tax relating to items that will not be reclassified to profit or loss	6	-	-	0.31	0.31
Total comprehensive income for the year		**56.69**	**(14.27)**	**(9.95)**	**32.47**

d) Reconciliation of total equity as at 31 March 2021 and 01 April 2020

Particulars	Notes to first time adoption	31 March 2021	01 April 2020
Total equity (shareholder's funds) as per previous GAAP		2,033.66	1,531.77
Impact of restatement	6	(14.27)	-
Restated total equity (shareholder's funds) as per previous GAAP		**2,019.39**	**1,531.77**
Adjustments			
Lease accounting as per Ind AS 116 (including measurement of security deposit at amortised cost)	1,2	(104.86)	(77.96)
Measurement of financial liabilities at amortised cost	3	29.80	16.40
Expected credit losses on financial assets	4	(0.09)	(0.96)
Deferred tax impact on above adjustments	6	18.91	16.26
Total adjustments		**(56.24)**	**(46.26)**
Total equity as per Ind AS		**1,963.15**	**1,485.51**

e) Reconciliation of statement of cash flows for the year ended 31 March 2021

Particulars	Notes to first time adoption	As per Previous GAAP	Ind AS adjustments	Amount as per Ind AS
Net cash generated from/(used in) operating activities	1, 2, 3, 10(d)	718.87	539.22	1,258.09
Net cash generated from/(used in) investing activities	2	(1,410.73)	5.72	(1,405.01)
Net cash generated from/(used in) financing activities	1, 3, 7, 10(d)	4,423.15	(937.51)	3,485.64
Net increase/(decrease) in cash and cash equivalents		**3,731.29**	**(392.57)**	**3,338.72**
Cash and cash equivalents at the beginning of the year	10(c) ,7	4,816.67	(1,508.78)	3,307.88
Cash and cash equivalents at the end of the year		**8,547.96**	**(1,901.36)**	**6,646.60**

51 First-time adoption of Ind AS (cont'd)

C Notes to first time adoption

1 Leases

As per Ind AS 116, the Company has elected to apply modified retrospective approach and record the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right-to-use (ROU) asset is carried at an amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application. Subsequently, the Company shall measure the ROU at cost less accumulated depreciation and any accumulated impairment losses. The lease liability shall be measured at amortized cost by increasing the carrying amount of liability to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Also, the movement in lease liabilities shall be recorded under financing activities in the statement of cash flows. The cash payments for lease rentals which were earlier considered as operational cash outflow has now been considered as part of financing activities. The short term lease payments earlier considered as operating expenses are reclassified as other expenses.

2 Measurement of financial assets at amortised cost

Under the Previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised initially at fair value. Accordingly, the Company shall recognise these security deposits at fair value and subsequently measure them at amortised cost wherein interest accrued on carrying value of such assets using effective interest method is recognised as "finance income". Difference between the fair value and transaction value of the security deposit as at the inception of the contract shall be treated as right-to-use (ROU) asset and amortised over the term of the related contract.
The cash inflow from interest income has been considered as investing activity.

3 Measurement of financial liabilities at amortised cost

Under Previous GAAP, all financial liabilities were carried at cost. Under Ind AS, financial liabilities are required to be recognised initially at fair value and subsequently measured at amortised cost which involves the application of effective interest method. In applying the effective interest method, an entity identifies fees that are an integral part of the effective interest rate of a financial instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability.

4 Expected credit losses on financial assets

Under Previous GAAP, provision for doubtful debts was recognised based on the estimates of the outcome and of the financial effect of contingencies determined by the management of the Company. Under Ind AS, loss allowance is calculated based on expected credit losses for financial assets carried at amortised cost using a provision matrix derived based on based on company's historical counterparty default rates and forecast of macro-economic factors.

5 Defined benefit obligation

Under previous GAAP, actuarial gains and losses were recognized in the Statement of Profit and Loss, and interest cost was recognized under employee benefit expense. Under Ind AS, the actuarial gain and loss form part of remeasurement of net defined benefit liability/ asset which is recognised in other comprehensive income in the respective years. Interest cost on defined benefit obligations is presented under finance cost in the Statement of Profit and Loss.

6 Deferred tax

Under previous GAAP, deferred tax was accounted using the income statement approach, on the timing differences between the taxable profit and accounting profits for the year. Under Ind AS 12, Income tax, deferred taxes are recognized following the balance sheet approach on the temporary differences between the carrying amount of asset or liability in the balance sheet and its tax base. In addition, various transitional adjustments can also lead to recognition of deferred taxes on new temporary differences. Also, the future tax rate for recognition of deferred tax asset was considered as 27.82% instead of applicable future tax rate i.e 25.167% for the year ended 31 March 2021 which resulted in higher deferred tax asset. The deferred tax asset has now been recognised with the correct

7 Cash flow adjustments

The Bank overdrafts which were earlier considered as financing activity has now been considered as part of cash and cash equivalent as per Ind AS 7.

8 Fair valuation of borrowings

Borrowings are recognised at amortised cost and accordingly, the interest accrued on borrowings is considered as part of carrying value as at reporting date.

9 Fair valuation of bank deposits

Bank deposits are recognised at amortised cost and accordingly, interest accrued on such deposits are considered as part of carrying value as at reporting date.

10 Reclassification/regrouping adjustments

(a) The Compensated absences were earlier classified as both current and non-current. The same has been now classified as current only as the Company does not have right for deferment of such liability.

(b) Retention money payable was classified as current financial liability only. The same has now been classified as both current and non-current basis the maturity of liability.

(c) The Company had classified bank accounts with positive balance as at 31 March 2021 in current accounts with overdraft facility as borrowings which has now been classified as cash and cash equivalents.

(d) The loan processing charges which were earlier classified as bank charges under other expenses has now been classified under finance cost. Also the same has now been reclassified from cash flow from operating activities to cash flow from financing activities.

51 First-time adoption of Ind AS (cont'd)

D Other Material Adjustments:
Summarized below are the restatement adjustments made to the audited financial statements for the year ended 31 March 2021 and their impact on the profit of the Company:

	31 March 2021
Net (Loss)/Profit as per IGAAP	56.69
Impact of restatement on net profit (Refer - Note 51C (6))	(14.27)
Adjustments on account of implementation of Ind AS:	
Impact of adoption of Ind AS (Refer - Note 51C)	(9.04)
Total impact of Adjustments (A+B)	(23.31)
Net Profit as per Statement of Profit and Loss	**33.38**

Material Regrouping
Appropriate re-groupings have been made in the Balance Sheet, Statement of profit and loss and Statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company for the year ended 31 March 2022 respectively prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles.

52 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number: 001076N / N500013

Vijay Vikram Singh Digitally signed by Vijay Vikram Singh Date: 2022.05.26 20:01:16 +05'30'

Vijay Vikram Singh
Partner
Membership No: 059139

Place : Bengaluru
Date : 26 May 2022

For and on behalf of the Board of Directors of India1 Payments Limited
(formerly known as India1 Payments Private Limited and BTI Payments Private Limited)

SRINIVAS KONDETHIMMANAPALLI Digitally signed by SRINIVAS KONDETHIMMANAPALLI Date: 2022.05.26 18:33:42 +05'30'

NATRAJAN RAMKRISHNA Digitally signed by NATRAJAN RAMKRISHNA Date: 2022.05.26 18:38:12 +05'30'

SANJAY KUMAR BAJAJ Digitally signed by SANJAY KUMAR BAJAJ Date: 2022.05.26 18:31:46 +05'30'

MOHIT NAGAR Digitally signed by MOHIT NAGAR Date: 2022.05.26 18:35:51 +05'30'

K Srinivas	**Natrajan Ramkrishna**	**Sanjay Bajaj**	**Mohit Nagar**
Managing Director	Director	Chief Financial Officer	Company Secretary
DIN: 03533535	DIN: 06597041		M. No.: A27492
Place : Bengaluru	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022	Date : 26 May 2022