

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of One 97 Communications Limited

One Skymark, Tower-D, Plot No. H-10B  
Sector-98, Noida 201304, Uttar Pradesh

### Report on the Audit of the Consolidated Financial Results

#### Opinion

1. We have audited the Statement of Consolidated Audited Financial Results of One 97 Communications Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and joint ventures (Refer paragraph 2(i) below) for the year ended March 31, 2022 and the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows as at and for the year ended on that date (together referred as "Consolidated Financial Results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), which have been initialed by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/ financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial results:
  - i. include the annual financial results of the entities listed in Annexure 1
  - ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of loss and other comprehensive income and other financial information of the Group, its associates and joint ventures for the year ended March 31, 2022 and the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows as at and for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in paragraph 14 of the "Other Matter" section below, other than the unaudited financial statements/ financial information as certified by the management and referred to in paragraph 15 of the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion.



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

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**Emphasis of Matter**

4. We draw your attention to the following matters:

- a) Note 7 to the Consolidated Financial Results, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Group. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- b) Note 11 to the Consolidated Financial Results which describes:
  - i. non-realisation of foreign currency receivables as at March 31, 2022 aggregating to INR 355 million outstanding beyond the stipulated time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the Reserve Bank of India (RBI). The Group has made the necessary application with the Authorised Dealer (AD) banker/RBI seeking extension of time limit for remittance for certain balances and write-off of the remaining balances.
  - ii. non-settlement of foreign currency payables as at March 31, 2022 amounting to INR 1.33 million due for more than three years, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) issued by the RBI. The Holding Company has filed an application to the RBI for permission to write-back the aforesaid payable balances.
- c) Note 9 (c) to the Consolidated Financial Results, which indicates that one of the Subsidiary Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for FY 20-21. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Subsidiary Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, the Subsidiary Company's Management has stated that this position is temporary in nature and the Subsidiary Company has no intention of conducting the business as an NBFC, and accordingly it had filed an application with the RBI seeking dispensation from registration as NBFC.
- d) Note 9 (d) to the Consolidated Financial Results, relating to one of the Joint venture companies which describes:
  - i) Non-settlement of foreign currency payables as at March 31, 2022 amounting to INR 219 million, due for more than six months. This is beyond the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 (as amended). The Company has made the necessary application with the Authorised Dealer (AD) banker on April 27, 2022 seeking extension of time limit for remittance of the same.
  - ii) Non-realisation of foreign currency receivables as at March 31, 2022 amounting to INR 0.4 million, outstanding for more than nine months. This is beyond the time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 (as amended), issued by the Reserve Bank of India (RBI). The Company has made the necessary application with the AD banker on April 8, 2022 seeking extension of time limit for realization of the same.

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



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5. The following emphasis of matter paragraph has been included in the independent auditor's report dated May 4, 2022 issued by independent firm of chartered accountants on the audit of the Standalone Financial Statements of Nearbuy India Private Limited which has been reported as under:

### "Emphasis of Matter – Effects of COVID-19

We draw attention to Note 1(a) of the accompanying Ind AS financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2022 and the operations of the Company. Our opinion is not modified in respect of this matter."

Note 1(a) referred above corresponds to Note 9(a) to the Consolidated Financial Results.

6. The following emphasis of matter paragraph has been included in the independent auditor's report dated May 5, 2022 issued by independent firm of chartered accountants on the audit of the Standalone Financial Statements of Wasteland Entertainment Private Limited which has been reported as under:

### "Emphasis of Matter

We draw attention to Note 2.1 to the accompanying Ind AS financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2022 and the operations of the Company. Our opinion is not modified in respect of this matter."

Note 2.1 referred above corresponds to Note 9 (b) to the Consolidated Financial Results.

## Board of Directors' Responsibilities for the Consolidated Financial Results

7. These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the loss and other comprehensive income and other financial information of the Group including its associates and joint ventures and the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
8. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associates and joint ventures or to cease operations, or has no realistic alternative but to do so.



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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 18 below)
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and joint ventures to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain





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responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

14. We did not audit the financial statements/ financial information of 13 subsidiaries included in the consolidated financial results, whose financial statements/ financial information reflect total assets of INR 15,950 million and net assets of INR 11,869 million as at March 31, 2022, total revenues of INR 3,277 million, total loss after tax of INR 786 million, and total comprehensive income of INR 8,591 million for the year ended March 31, 2022, and cash outflows (net) of INR 316 million for the year ended March 31, 2022, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss after tax of INR 61 million and total comprehensive loss of INR 65 million for the year ended March 31, 2022, as considered in the consolidated financial results, in respect of 4 associates and 1 joint venture, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 13 above.
15. The consolidated financial results includes the unaudited financial statements/ financial information of 10 subsidiaries, whose financial statements/ financial information reflect total assets of INR 356 million and net assets of INR (-) 67 million as at March 31, 2022, total revenue of INR 268 million, total loss after tax of INR 18 million, and total comprehensive loss of INR 18 million for the year ended March 31, 2022, and cash inflows (net) of INR 113 million for the year ended March 31, 2022, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of net loss after tax of INR 20 million and total comprehensive loss of INR 20 million for the year ended March 31, 2022, as considered in the consolidated financial results, in respect of 3 associates and 1 joint venture, whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint venture, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.
16. Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the management.
17. The Consolidated Financial Results include the results for the quarter ended March 31, 2022 being the balancing figures between the audited figures in respect of the full financial year and the published



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unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

18. The consolidated financial results dealt with by this report have been prepared for the express purpose of filing with stock exchanges. These results are based on and should be read with the audited consolidated financial statements of the group, its associates and joint ventures, for the year ended March 31, 2022 on which we have issued an unmodified audit opinion vide our report dated May 20, 2022.

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



Amitesh Dutta  
Partner  
Membership Number: 058507  
UDIN: 22058507AJIBTU9621

Place: Gurugram  
Date: May 20, 2022

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**Annexure 1****List of entities**

<b>Sl. No.</b>	<b>Name of the Company</b>
<b>A.</b>	<b>Subsidiaries (Direct)</b>
1	One 97 Communications India Limited
2	Wasteland Entertainment Private Limited
3	Mobiquest Mobile Technologies Private Limited ('MQ')
4	Urja Money Private Limited ('Urja')
5	Little Internet Private Limited ('Little')
6	Paytm Entertainment Limited
7	Paytm Money Limited
8	Orbgen Technologies Private Limited
9	Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)
10	Paytm Payments Services Limited
11	Paytm Insurance Broking Private Limited
12	One97 Communications Nigeria Limited
13	One97 Communications FZ-LLC
14	One97 Communications Singapore Private Limited ('OCSPL')
15	One97 USA Inc.
<b>B.</b>	<b>Subsidiaries (Indirect)</b>
1	One97 Communications Rwanda Private Limited (subsidiary of OCSPL)
2	One97 Communications Tanzania Private Limited (subsidiary of OCSPL)
3	One97 Communications Bangladesh Private Limited (subsidiary of OCSPL)
4	One97 Uganda Limited (subsidiary of OCSPL)
5	One97 Ivory Coast SA (subsidiary of OCSPL)
6	One97 Benin SA (subsidiary of OCSPL)
7	Paytm Labs Inc. (subsidiary of OCSPL)
8	One97 Communications Malaysia Sdn. Bhd. (subsidiary of OCSPL)
9	One Nine Seven Communication Nepal Private Limited (subsidiary of OCSPL)
10	One Nine Seven Digital Solutions Limited (subsidiary of OCSPL)
11	One Nine Seven Communications Saudi Arabia For Communication and Information Technology (subsidiary of OCSPL)
12	Xceed IT Solution Private Limited (subsidiary of MQ)
13	Nearbuy India Private Limited (subsidiary of Little)
14	Fincollect Services Private Limited (subsidiary of Urja)
<b>C.</b>	<b>Associates (Direct)</b>
1	Paytm Payments Bank Limited
2	Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited)*
3	Paytm General Insurance Limited
4	Paytm Life Insurance Limited
5	Paytm Financial Services Limited*
6	Infinity Transoft Solution Private Limited
7	Eatgood Technologies Private Limited
8	Loginext Solutions Private Limited#
9	Socomo Technologies Private Limited



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<b>D.</b>	<b>Associates (Indirect)</b>
1	Foster Payment Networks Private Limited (subsidiary of Paytm Financial Services Limited)
2	Admirable Software Limited (subsidiary of Paytm Financial Services Limited)

<b>E.</b>	<b>Joint Ventures of Paytm Entertainment limited (Indirect)</b>
1	Paytm First Games Private Limited
2	Paytm First Games Singapore Pte. Ltd. (wholly owned subsidiary of Paytm First Games Private Limited)
3	Paytm Technology (Beijing) Co., Ltd. wholly owned subsidiary of Paytm First Games Private Limited)

\*During the previous year, the Group lost its control over the entity on dilution of interest, however, the Holding Company still exercises significant influence over the same.

#During the previous year, the Group ceased to have significant influence over the entity.



## Statement of Consolidated Audited Financial Results for the year ended March 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Refer note 2		Refer note 2		
<b>Income</b>					
Revenue from operations	15,409	14,561	8,153	49,742	28,024
Other income	1,075	773	965	2,901	3,844
<b>Total income</b>	<b>16,484</b>	<b>15,334</b>	<b>9,118</b>	<b>52,643</b>	<b>31,868</b>
<b>Expenses</b>					
Payment processing charges	7,742	7,831	5,087	27,538	19,168
Marketing and promotional expenses	2,489	2,831	1,001	8,554	5,325
Employee benefits expense	8,634	8,313	3,478	24,319	11,849
Software, cloud and data centre expenses	1,511	1,301	1,080	4,999	3,498
Depreciation and amortization expense	951	609	510	2,473	1,785
Finance costs	70	125	71	394	348
Other expenses	2,323	2,164	2,118	7,734	5,857
<b>Total expenses</b>	<b>23,720</b>	<b>23,174</b>	<b>13,345</b>	<b>76,011</b>	<b>47,830</b>
<b>Loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax</b>	<b>(7,236)</b>	<b>(7,840)</b>	<b>(4,227)</b>	<b>(23,368)</b>	<b>(15,962)</b>
Share of profit/ (loss) of associates / joint ventures	(383)	111	(335)	(459)	(740)
<b>Loss before exceptional items and tax</b>	<b>(7,619)</b>	<b>(7,729)</b>	<b>(4,562)</b>	<b>(23,827)</b>	<b>(16,702)</b>
Exceptional items (Refer note 4)	-	-	(1)	(24)	(281)
<b>Loss before tax</b>	<b>(7,619)</b>	<b>(7,729)</b>	<b>(4,563)</b>	<b>(23,851)</b>	<b>(16,983)</b>
<b>Income Tax expense</b>					
Current tax	38	65	(127)	151	34
Deferred tax expense/(credit)	(32)	(9)	8	(38)	(7)
<b>Total Tax expense</b>	<b>6</b>	<b>56</b>	<b>(119)</b>	<b>113</b>	<b>27</b>
<b>Loss for the period / year</b>	<b>(7,625)</b>	<b>(7,785)</b>	<b>(4,444)</b>	<b>(23,964)</b>	<b>(17,010)</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss in subsequent period / year</b>					
Re-measurement gains/ (losses) on defined benefit plans	(5)	22	2	(21)	(17)
Changes in fair value of equity instruments at FVTOCI (Refer note 12)	9,376	-	-	9,376	(53)
<b>Items that may be reclassified to profit or loss in subsequent period / year</b>					
Exchange differences on translation of foreign operations	186	(1)	16	194	40
<b>Total Other Comprehensive Income/(Loss) for the period / year</b>	<b>9,557</b>	<b>21</b>	<b>18</b>	<b>9,549</b>	<b>(30)</b>
<b>Total Comprehensive Income/ (Loss) for the period / year</b>	<b>1,932</b>	<b>(7,764)</b>	<b>(4,426)</b>	<b>(14,415)</b>	<b>(17,040)</b>
<b>Loss for the period / year</b>					
Attributable to:					
Owners of the parent	(7,614)	(7,784)	(4,418)	(23,929)	(16,961)
Non-controlling interests	(11)	(1)	(26)	(35)	(49)
	<b>(7,625)</b>	<b>(7,785)</b>	<b>(4,444)</b>	<b>(23,964)</b>	<b>(17,010)</b>
<b>Other comprehensive income for the period / year</b>					
Attributable to:					
Owners of the parent	9,557	21	19	9,549	(30)
Non-controlling interests	*	*	(1)	*	*
	<b>9,557</b>	<b>21</b>	<b>18</b>	<b>9,549</b>	<b>(30)</b>
<b>Total comprehensive income/(loss) for the period / year</b>					
Attributable to:					
Owners of the parent	1,943	(7,763)	(4,399)	(14,380)	(16,991)
Non-controlling interests	(11)	(1)	(27)	(35)	(49)
	<b>1,932</b>	<b>(7,764)</b>	<b>(4,426)</b>	<b>(14,415)</b>	<b>(17,040)</b>
<b>Paid up equity share capital</b>	<b>649</b>	<b>648</b>	<b>605</b>	<b>649</b>	<b>605</b>
<b>Face value of the share (Refer note 3)</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>1</b>	<b>10</b>
<b>Other Equity</b>				<b>140,867</b>	<b>64,743</b>
<b>Earnings per share (INR per share of INR 1 each) (not annualised for quarters) (Refer note 3)</b>					
Basic	(12)	(12)	(7)	(38)	(28)
Diluted	(12)	(12)	(7)	(38)	(28)
See accompanying notes to the Consolidated Audited Financial Results					

\*Amount below rounding off norms adopted by the Group





## Consolidated Statement of Assets and Liabilities as at March 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,616	2,992
Right-of-use-assets	2,945	1,283
Capital work-in-progress	102	208
Goodwill	443	467
Other intangible assets	135	171
Intangible assets under development	18	28
Financial assets		
Investment in joint ventures	-	-
Investment in associates	2,233	2,317
Other investments	10,062	341
Loans	1,362	-
Other financial assets	42,131	3,871
Current tax assets	4,317	3,016
Deferred tax assets	70	35
Other non-current assets	3,032	2,786
<b>Total Non-Current Assets</b>	<b>72,466</b>	<b>17,515</b>
<b>Current assets</b>		
Financial assets		
Other investments	-	1,472
Trade receivables	7,464	4,713
Cash and cash equivalents	13,790	5,468
Bank balances other than cash and cash equivalents	38,230	23,296
Loans	514	1,611
Other financial assets	32,295	23,386
Other current assets	15,157	14,052
<b>Total Current Assets</b>	<b>107,450</b>	<b>73,998</b>
<b>TOTAL ASSETS</b>	<b>179,916</b>	<b>91,513</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	649	605
Other equity	140,867	64,743
<b>Equity attributable to owners of the parent</b>	<b>141,516</b>	<b>65,348</b>
Non-controlling interests	(221)	(186)
<b>Total Equity</b>	<b>141,295</b>	<b>65,162</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	1,822	427
Deferred tax liabilities	2	6
Contract Liabilities	3,165	4,119
Provisions	307	247
<b>Total Non-Current Liabilities</b>	<b>5,296</b>	<b>4,799</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	1	5,449
Lease liabilities	392	244
Trade payables		
(a) Total Outstanding dues of micro and small enterprises	229	56
(b) Total Outstanding dues other than (a) above	7,285	5,996
Other financial liabilities	18,005	5,153
Contract Liabilities	2,076	1,581
Other current liabilities	4,514	2,643
Provisions	823	430
<b>Total Current Liabilities</b>	<b>33,325</b>	<b>21,552</b>
<b>Total Liabilities</b>	<b>38,621</b>	<b>26,351</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>179,916</b>	<b>91,513</b>
See accompanying notes to the Consolidated Audited Financial Results		



## Consolidated Statement of Cash Flows for year ended March 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2022	March 31, 2021
	(Audited)	(Audited)
<b>Cash flow from operating activities:</b>		
<b>Loss before tax</b>	<b>(23,851)</b>	<b>(16,983)</b>
Depreciation and amortization expense	2,473	1,785
Interest income	(2,518)	(2,229)
Interest Income on unwinding of discount - financial assets measured at amortized cost	(92)	(218)
Interest on borrowing at amortized cost	294	216
Interest and finance charges on lease liabilities	86	123
Gain on lease termination	(3)	(50)
Stock acquisition rights (PayPay Corporation)	-	(221)
Trade receivables / advances written off	391	67
Provision for advances	62	19
Loss allowance for financial assets	432	428
(Gain) / loss on sale of investment in associates and subsidiaries	-	(19)
Liabilities no longer required written back	(19)	(30)
Provision for impairment of investments in associates	-	300
Property, plant and equipment and intangible assets written off	11	3
Impairment of goodwill	24	-
Share based payment expenses	8,093	1,125
Provision for employee incentive	15	67
Share of result of associates/ joint ventures	459	740
Fair value gain on financial instruments measured at FVTPL (net)	(215)	(899)
Profit on sale of property, plant and equipment (net)	(7)	(18)
<b>Operating loss before working capital changes</b>	<b>(14,365)</b>	<b>(15,794)</b>
Working capital adjustments:		
Increase/(decrease) in trade payables	1,481	(33)
Increase/(decrease) in provisions	434	(85)
Increase/(decrease) in other current liabilities and contract liabilities	1,412	(273)
Increase/(decrease) in other financial liabilities	13,338	2,669
(Increase)/decrease in trade receivables	(3,192)	(67)
(Increase)/decrease in other financial assets	(9,187)	(6,384)
(Increase)/decrease in other current and non-current assets	(805)	(2,729)
<b>Cash used in operations</b>	<b>(10,884)</b>	<b>(22,696)</b>
Tax paid, net of refunds	(1,479)	1,871
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>(12,363)</b>	<b>(20,825)</b>
<b>Cash flow from/(used in) investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(5,071)	(1,927)
Proceeds from sale of property, plant and equipment	27	56
Investment in fixed and other deposits with banks	(96,322)	(21,534)
Maturity of bank deposits	43,206	10,419
Proceeds from repayment of inter corporate loans	908	5
Inter corporate loans given	(1,653)	(1,608)
Investments in joint ventures and associates	-	(87)
Proceeds from sale of non-current investments	13	1,036
Payment for purchase of non-current investments	(261)	-
Proceeds from sale of current investments	85,696	99,456
Payment for purchase of current investments	(84,204)	(67,468)
Interest received	2,775	950
<b>Net cash inflow / (outflow) from investing activities (B)</b>	<b>(54,886)</b>	<b>19,298</b>
<b>Cash flow from/(used in) financing activities</b>		
Proceeds from issue of shares (including security premium)	83,067	107
Share issue expenses	(1,401)	-
Share application money received during the year (pending allotment)	*	2
Acquisition of non controlling interests	-	(63)
Repayment of term loan	-	(729)
Repayment of other borrowings	-	(6)
Net change in working capital demand loan	(435)	(847)
Interest paid	(380)	(339)
Principal elements of lease payments	(316)	(346)
<b>Net cash inflow / (outflow) from financing activities (C)</b>	<b>80,535</b>	<b>(2,221)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>13,286</b>	<b>(3,748)</b>
Cash and cash equivalent at the beginning of the year	454	4,162
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	49	40
<b>Cash and cash equivalent at the end of the year</b>	<b>13,789</b>	<b>454</b>
<b>Cash and cash equivalents as per above comprises of following</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Cash on hand	*	1
Balance with banks		
- On current accounts	12,742	2,606
- Deposits with original maturity of less than 3 months	1,048	2,861
<b>Cash and cash equivalents</b>	<b>13,790</b>	<b>5,468</b>
Bank overdraft	(1)	(5,014)
<b>Cash and cash equivalents for the purpose of statement of cash flows</b>	<b>13,789</b>	<b>454</b>

\*Amount below rounding off norms adopted by the Group

See accompanying notes to the Consolidated Audited Financial Results



One 97 Communications Limited  
Notes to the Consolidated Audited Financial Results

1. The Statement of Consolidated Audited Financial Results has been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India and presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'). The Statement of Consolidated Audited Financial Results of the Company and its subsidiaries (collectively "the Group") and its interest in associates and joint ventures have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meetings held on May 19, 2022 and May 20, 2022 respectively.
2. The Statement includes the results for the quarter ended March 31, 2022, being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year which were subject to limited review. The results for the quarter ended March 31, 2021 are the balancing figure between audited figures in respect of full financial year and year to date figures for the nine months period ended December 31, 2020 which have not been audited or reviewed by our statutory auditors.
3. Pursuant to approval of the shareholders of the Company in their meeting held on June 30, 2021, the Company, on June 30, 2021, has sub-divided equity share of INR 10 each into 10 Equity Shares of INR 1 each. Consequently, the basic and diluted earnings per share have been computed for all periods presented in the Consolidated Audited Financial Results on the basis of the new number of equity shares in accordance with Ind AS 33, Earnings per share.

4. Exceptional items include:

(Amount in INR Million)

Particulars	Quarter Ended			Year Ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Refer note 2		Refer note 2		
Impairment of Goodwill	-	-	-	(24)	-
Impairment of investment in Associates	-	-	-	-	(300)
Gain/(Loss) on sale of investment in Subsidiaries	-	-	(1)	-	19
<b>Total</b>	-	-	<b>(1)</b>	<b>(24)</b>	<b>(281)</b>

5. The Group is engaged in different business units, including payment and financial services, commerce and cloud services and the Board of Directors (Chief Operating Decision Maker "CODM") reviews the information at the revenue level and does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units. Allocation of resources and assessment of financial performance is done at the consolidated level. The way the CODM reviews the performance, management of the Group has concluded that the Group constitutes a single segment as per Ind AS 108 'Operating Segments'. Hence, no separate disclosure is required for segments.

During the year ended March 31, 2021, the Group reassessed the basis of segment reporting. Earlier, the Group disclosed four reportable segments that were Payment, Commerce, Cloud and others.

6. During the year ended March 31, 2022, the Company has completed its initial public offer (IPO) of 85,116,278 equity shares of face value of INR 1 each at an issue price of INR 2,150 per share, comprising fresh issue of 38,604,651 shares and offer for sale of 46,511,627 shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 18, 2021.

The Company has incurred INR 4,115 million as IPO related expenses and allocated such expenses between the Company INR 1,866 million and selling shareholders INR 2,249 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of INR 1,866 million, INR 1,401 million has been adjusted to securities premium.



One 97 Communications Limited  
Notes to the Consolidated Audited Financial Results

Details of utilisation of net IPO Proceeds of INR 81,134 million, are as follows:

(Amount in INR Million)

S. No	Objects of the issue	Amount as proposed in Offer Document	Utilised up to March 31, 2022	Un-utilised as on March 31, 2022
1	Growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services	43,000		35,530
	i) Marketing and promotional expenses		1,552	
	ii) Expanding our merchant base and deepening our partnership with our merchants		3,318	
	iii) Strengthening and expanding our technology powered payments platform		2,600	
	<b>Total (A)</b>	<b>43,000</b>	<b>7,470</b>	<b>35,530</b>
2	Investing in new business initiatives, acquisitions and strategic partnerships	20,000		20,000
	i) Investments in new business initiatives			
	a) Payment Services		-	
	b) Commerce and cloud services		-	
	c) Financial Services		-	
	ii) Investments in acquisitions and strategic partnerships		-	
	<b>Total (B)</b>	<b>20,000</b>	<b>-</b>	<b>20,000</b>
3	General corporate purposes	18,134	2,028	16,106
	<b>Total (C)</b>	<b>18,134</b>	<b>2,028</b>	<b>16,106</b>
	<b>Total (A+B+C)</b>	<b>81,134</b>	<b>9,498</b>	<b>71,636</b>

Net IPO proceeds which were un-utilised as at March 31, 2022 were temporarily invested in fixed deposits with scheduled commercial banks and in monitoring agency account.

7. COVID-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals. The Group has considered the possible effects that may result from COVID-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Group has taken cognizance of internal and external information up to the date of approval of these Consolidated Audited Financial Results. The Group based on current estimates expects the carrying amount of the above assets will be recovered. Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of these Consolidated Audited Financial Results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to the future economic conditions.
8. During the quarter ended December 31, 2021, the Company had granted 26,583,315 Employee Stock Option (ESOPs) which has resulted in an expense of INR 7,062 million for the year ended March 31, 2022. Out of the above (as disclosed in the prospectus dated November 11, 2021) a grant of 21,000,000 ESOP has been made to the Managing Director and CEO of the Company which is subject to achievement of certain milestones and will vest equally in 4 tranches, having minimum vesting period of 24 months, 36 months, 48 months and 60 months for each tranche respectively.





One 97 Communications Limited  
Notes to the Consolidated Audited Financial Results

9. Notes given by the subsidiaries and joint venture in their respective financial statements

a) Nearbuy India Private Limited:

“The Company is primarily engaged in the business of developing local commerce marketplace that connects merchants to customers by offering services and goods of merchants. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to partial/ complete lockdowns from time to time in various states in India, the Company's operations were also impacted and the Company has been taking measures to reduce cost and strategizing to enhance its service offering verticals and other measures to scale up it's business. The Company expects the operations to further normalize gradually. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements.”

b) Wasteland India Private Limited:

“The Company is in the business of being a market place to sell tickets for live events through its portal [www.insider.in](http://www.insider.in) and conduct partnership events. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. Due to lockdown in India, the operations of the Company have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize in near future. The Company is strategizing to enhance/explore its service offering verticals other measures to scale up it's business. Although, there is revival in the economic activities and businesses across several sectors, there is limited business activity in relation Company's regular operations on account of sector specific restrictions continued by the Government. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of it's current assets on the basis of available information. The impact of COVID 19 on the financial statements may differ from that estimated as at the date of approval of these financial statements.”

c) Paytm Entertainment Limited:

The Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for FY 20-21. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Company fulfilled the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly required to obtain registration as such. However, management has stated that this position was temporary in nature and arose on account of interest income on short term loan amounting to INR 809,164 thousands as at March 31, 2021 given to its Joint Venture Company, Paytm First Games Private Limited (PFG) on account of a commercial exigency and sudden business needs owing to the ongoing pandemic and this loan was due for repayment in the month of September, 2021 (“One Time Short-Term Loan”). The loan was a one-off loan and is not a part of the ordinary course of business of the Company. It was not intended that this would be a systemic practice going forward. Out of the above said loan, INR 250,000 thousands was repaid back by the borrower on May 25, 2021 and remaining amount was repaid in full on September 24, 2021 along with the accrued interest. Accordingly, the Company has filed an application dated May 26, 2021 and other documents on December 14, 2021 with the RBI seeking dispensation from registration as an NBFC. Further communication from RBI is awaited in this regard.





One 97 Communications Limited  
Notes to the Consolidated Audited Financial Results

d) Paytm First Games Private Limited:

As of March 31, 2022, the Company has certain foreign currency payable balances aggregating to INR 2,190 lakhs which are outstanding for more than six months. The Company has filed an application to Authorised Dealer (AD) Bank vide letter dated April 27, 2022 seeking permission for extension of time for payment and approval is currently awaited.

As of March 31, 2022, the Company also has certain foreign currency receivable balances aggregating to INR 4.29 lakhs which are outstanding for more than nine months. The Company has applied to the AD Bank vide letter dated April 8, 2022 seeking permission for extension of time for realisation of the amount and approval is currently awaited.

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

10. During the period ended June 30, 2021, the Company had filed an adjudication application under Section 454 read with Section 62(1)(b) and Section 450 of the Companies Act, 2013 before the office of the Registrar of Companies, NCT of Delhi & Haryana (ROC) on June 26, 2021, to adjudicate on the non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 ("the Rules") in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. Consequently, the Company had cancelled the said ESOP grants on July 5, 2021. Further, the shares issued to the concerned employee pursuant to exercise of certain vested ESOPs were also transferred by the employee to Paytm Associate Benefit Welfare Trust (Formerly known as One97 Employee Welfare Trust). The cumulative charge recognized till date in respect of the aforesaid ESOPs amounted to INR 106 million.

During the quarter ended December 31, 2021, the ROC vide its order dated November 30, 2021, had directed the Company to move an appropriate application for composition of offence under the relevant provision of the Act. Consequently, the Company has filed a compounding application under section 441 read with section 62(1)(b) and Section 450 of the Act read with the Rules, before the Office of the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi ('RD') on December 25, 2021.

On March 15, 2022 RD has issued an order whereby RD has compounded the offence and levied compounding fees which has been duly paid and aforesaid matter is closed.

11. As of March 31, 2022, the Group has certain foreign currency receivable balances aggregating to INR 25 million, INR 65 million and INR 265 million which are outstanding for more than nine months, fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020, for the exports made up to or on July 31, 2020) and three years, respectively. The Group has applied to the Authorised Dealer Bank (AD) Bank seeking permission for extension of time for realisation for receivables amounting to INR 65 million and write-off of receivables amounting to INR 5 million. Further, an application has been made by Holding Company to the Reserve Bank of India (RBI) vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of outstanding receivable balances amounting to INR 191 million and write off of receivable balances amounting to INR 94 million and the approval is currently awaited.

As of March 31, 2022, the Holding Company also has certain foreign currency payable balances aggregating to INR 1.33\* million which are outstanding for more than three years. The Holding Company has also filed an application to RBI vide letters dated July 29, 2021 and August 9, 2021 for permission to write-back the aforesaid payable balances and approval is currently awaited.

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

\* Amount disclosed up to two decimal places

12. Changes in fair value of equity instruments at FVTOCI represents the fair value gain for the quarter and year ended March 31, 2022 on investment in stock acquisition rights of PayPay Corporation which are held by a subsidiary company.



One 97 Communications Limited  
Notes to the Consolidated Audited Financial Results

13. Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021, the comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current year figures.

**For and on behalf of Board of Directors of  
One 97 Communications Limited**



**Vijay Shekhar Sharma**

Chairman, Managing Director and CEO

Place: New Delhi

Date: May 20, 2022

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of One 97 Communications Limited

One Skymark, Tower-D, Plot No. H-10B  
Sector-98, Noida 201304, Uttar Pradesh

### Report on the Audit of the Standalone Financial Results

#### Opinion

1. We have audited the Statement of Standalone Audited Financial Results of One 97 Communications Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2022 and the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows as at and for the year ended on that date (together referred as "Standalone Financial Results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), which have been initialed by us for identification purposes.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2022 and the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows as at and for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

4. We draw your attention to the following matters:
  - a) Note 8 to the Standalone Financial Results, which describes the management's assessment of the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.



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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-50001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of One 97 Communications Limited

Report on the Audit of the Standalone Financial Results

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b) Note 11 to the Standalone Financial Results relating to

- i. non-realisation of foreign currency receivable balances as at March 31, 2022 aggregating to INR 349 million outstanding beyond the stipulated time period permitted under the RBI Master Direction on Export of Goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the Reserve Bank of India (RBI). The Company has made the necessary application with the Authorised Dealer (AD) banker/RBI seeking extension of time limit for remittance of certain balances and write-off the remaining balances.
- ii. non-settlement of foreign currency payables as at March 31, 2022 amounting to INR 1.33 million, due for more than three years, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) issued by the RBI. The Company has filed an application to the RBI for permission to write-back the aforesaid payable balances.

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

**Board of Directors' Responsibilities for the Standalone Financial Results**

5. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the loss and other comprehensive income and other financial information of the Company and the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cash Flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
6. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of One 97 Communications Limited

Report on the Audit of the Standalone Financial Results

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### Auditor's Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 12 below)
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of One 97 Communications Limited  
Report on the Audit of the Standalone Financial Results  
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**Other Matters**

11. The Standalone Financial Results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
12. The Standalone Financial Results dealt with by this report has been prepared for the express purpose of filing with stock exchanges. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended March 31, 2022 on which we issued an unmodified audit opinion vide our report dated May 20, 2022.

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



Amitesh Dutta  
Partner  
Membership Number: 058507  
UDIN : 22058507AJIBIE8151

Place: Gurugram  
Date: May 20, 2022

One 97 Communications Limited

CIN: L72200DL2000PLC108985

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E-mail: compliance.officer@paytm.com; Fax: +91 120 4770771

Statement of Standalone Audited Financial Results for the year ended March 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Refer note 2		Refer note 2		
<b>Income</b>					
Revenue from operations	10,731	9,210	7,751	38,924	26,671
Other income	1,081	783	896	2,830	3,749
<b>Total income</b>	<b>11,812</b>	<b>9,993</b>	<b>8,647</b>	<b>41,754</b>	<b>30,420</b>
<b>Expenses</b>					
Payment processing charges	4,241	3,674	5,061	19,855	19,131
Marketing and promotional expenses	2,148	2,618	988	7,907	5,209
Employee benefits expense	6,824	6,716	2,507	19,072	8,339
Software, cloud and data centre expenses	1,329	1,121	945	4,516	3,207
Depreciation and amortization expense	900	560	472	2,282	1,568
Finance costs	73	117	90	381	337
Other expenses	3,188	2,985	2,453	10,548	7,578
<b>Total expenses</b>	<b>18,703</b>	<b>17,791</b>	<b>12,516</b>	<b>64,561</b>	<b>45,369</b>
<b>Loss before exceptional items and tax</b>	<b>(6,891)</b>	<b>(7,798)</b>	<b>(3,869)</b>	<b>(22,807)</b>	<b>(14,949)</b>
Exceptional items (Refer note 4)	-	-	-	(441)	(650)
<b>Loss before tax</b>	<b>(6,891)</b>	<b>(7,798)</b>	<b>(3,869)</b>	<b>(23,248)</b>	<b>(15,599)</b>
<b>Income Tax expense</b>					
Current tax	-	-	2	3	2
<b>Total Tax expense</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>3</b>	<b>2</b>
<b>Loss for the period / year</b>	<b>(6,891)</b>	<b>(7,798)</b>	<b>(3,871)</b>	<b>(23,251)</b>	<b>(15,601)</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss in subsequent period / year</b>					
Re-measurement gains/ (losses) on defined benefit plans	(7)	23	3	(18)	(15)
<b>Total Other Comprehensive Income/(Loss) for the period / year</b>	<b>(7)</b>	<b>23</b>	<b>3</b>	<b>(18)</b>	<b>(15)</b>
<b>Total Comprehensive Income/ (Loss) for the period / year</b>	<b>(6,898)</b>	<b>(7,775)</b>	<b>(3,868)</b>	<b>(23,269)</b>	<b>(15,616)</b>
<b>Paid up equity share capital</b>	<b>649</b>	<b>648</b>	<b>605</b>	<b>649</b>	<b>605</b>
<b>Face value of the share (Refer note 3)</b>	<b>1</b>	<b>1</b>	<b>10</b>	<b>1</b>	<b>10</b>
<b>Other Equity</b>				136,476	69,240
<b>Earnings per share (INR per share of INR 1 each) (not annualised for quarters) (Refer note 3)</b>					
Basic	(11)	(12)	(6)	(37)	(26)
Diluted	(11)	(12)	(6)	(37)	(26)
See accompanying notes to the Standalone Audited Financial Results					

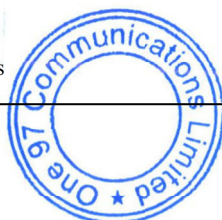


One 97 Communications Limited

Standalone Statement of Assets and Liabilities as at March 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	5,431	2,750
Right-of-use-assets	2,786	1,065
Capital work-in-progress	97	202
Intangible assets	83	90
Intangible assets under development	15	25
Financial assets		
Investment in subsidiaries	10,695	9,439
Investment in associates	1,932	1,962
Other investments	426	120
Loans	1,681	-
Other financial assets	41,778	3,325
Current tax assets	3,838	2,854
Other non-current assets	3,031	2,784
<b>Total Non-Current Assets</b>	<b>71,793</b>	<b>24,616</b>
<b>Current assets</b>		
Financial assets		
Other investments	-	1,472
Trade receivables	7,059	4,915
Cash and cash equivalents	10,664	2,948
Bank balances other than cash and cash equivalents	37,690	22,778
Loans	514	872
Other financial assets	22,339	23,229
Other current assets	13,507	13,966
<b>Total Current Assets</b>	<b>91,773</b>	<b>70,180</b>
<b>TOTAL ASSETS</b>	<b>163,566</b>	<b>94,796</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	649	605
Other equity	136,476	69,240
<b>Total Equity</b>	<b>137,125</b>	<b>69,845</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	1,724	261
Contract Liabilities	3,165	4,119
Provisions	235	205
<b>Total Non-Current Liabilities</b>	<b>5,124</b>	<b>4,585</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	-	5,444
Lease liabilities	318	179
Trade payables		
(a) Total Outstanding dues of micro and small enterprises	193	51
(b) Total Outstanding dues other than (a) above	6,914	6,086
Other financial liabilities	7,308	4,161
Contract Liabilities	2,001	1,539
Other current liabilities	3,865	2,539
Provisions	718	367
<b>Total Current Liabilities</b>	<b>21,317</b>	<b>20,366</b>
<b>Total Liabilities</b>	<b>26,441</b>	<b>24,951</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>163,566</b>	<b>94,796</b>
See accompanying notes to the Standalone Audited Financial Results		





One 97 Communications Limited  
Notes to the Standalone Audited Financial Results

1. The Statement of Standalone Audited Financial Results has been prepared in accordance with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India and presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'). The Statement of Standalone Audited Financial Results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meetings held on May 19, 2022 and May 20, 2022 respectively.
2. The Statement includes the results for the quarter ended March 31, 2022, being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year which were subject to limited review. The results for the quarter ended March 31, 2021 are the balancing figure between audited figures in respect of full financial year and year to date figures for the nine months period ended December 31, 2020 which have not been audited or reviewed by our statutory auditors.
3. Pursuant to approval of the shareholders of the Company in their meeting held on June 30, 2021, the Company, on June 30, 2021, has sub-divided equity share of INR 10 each into 10 Equity Shares of INR 1 each. Consequently, the basic and diluted earnings per share have been computed for all the periods presented in the Standalone Audited Financial Results of the Company on the basis of the new number of equity shares in accordance with Ind AS 33, Earnings per share.

4. Exceptional items include:

(Amount in INR Million)

Particulars	Quarter Ended			Year Ended	
	March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	Refer note 2		Refer note 2		
Impairment of investment in Associates and Subsidiaries	-	-	-	(441)	(650)

5. The Company has transferred online Payment Aggregator business to Paytm Payments Services Limited, a wholly owned subsidiary of the Company, to comply with Guidelines on Regulation of Payment Aggregators And Payment Gateways' issued by RBI via circular dated March 17, 2020. This business transfer agreement has been approved by Board and Shareholders on August 30, 2021 and September 23, 2021 respectively. For accounting purposes date of effective loss of control over the above business has been taken as September 30, 2021 considering that the transaction was approved by the shareholders on September 23, 2021 and final submission was made to RBI on September 30, 2021. The consideration of INR 2,838 million for transfer of business is based on the carrying value of the net assets of the business as on September 1, 2021, being the date of transfer of operations. The consideration is to be paid in 5 equal annual installments payable at the end of each year without any interest. The difference between present value of consideration and net assets amounting to INR 601 million has been accounted as 'Deemed Investment' in Standalone Audited Financial Results. The transferred operations are not considered as discontinued operations in the Standalone Audited Financial Results of the Company in accordance with Ind AS. Consequent to the aforesaid transfer, results for the previous quarter and year ended March 31, 2021 are not comparable with the results of current quarter and year ended March 31, 2022.
6. The Company is engaged in different business units, including payment and financial services, commerce and cloud services and the Board of Directors (Chief Operating Decision Maker "CODM") reviews the information at the revenue level and does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units. The way the CODM reviews the performance, management of the Company has concluded that it constitutes a single segment as per Ind AS 108 'Operating Segments'. Hence, no separate disclosure is required for segments.

During the year ended March 31, 2021, the Company reassessed the basis of segment reporting. Earlier, the Company disclosed four reportable segments that were Payment, Commerce, Cloud and others.





One 97 Communications Limited  
Notes to the Standalone Audited Financial Results

7. During the year ended March 31, 2022, the Company has completed its initial public offer (IPO) of 85,116,278 equity shares of face value of INR 1 each at an issue price of INR 2,150 per share, comprising fresh issue of 38,604,651 shares and offer for sale of 46,511,627 shares by selling shareholders. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 18, 2021.

The Company has incurred INR 4,115 million as IPO related expenses and allocated such expenses between the Company INR 1,866 million and selling shareholders INR 2,249 million. Such amounts were allocated based on agreement between the Company and selling shareholders and in proportion to the total proceeds of the IPO. Out of Company's share of expenses of INR 1,866 million, INR 1,401 million has been adjusted to securities premium.

Details of utilisation of net IPO Proceeds of INR 81,134 million, are as follows:

(Amount in INR Million)

S. No	Objects of the issue	Amount as proposed in Offer Document	Utilised up to March 31, 2022	Un-utilised as on March 31, 2022
1	Growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services	43,000		35,530
	i) Marketing and promotional expenses		1,552	
	ii) Expanding our merchant base and deepening our partnership with our merchants		3,318	
	iii) Strengthening and expanding our technology powered payments platform		2,600	
	<b>Total (A)</b>	<b>43,000</b>	<b>7,470</b>	<b>35,530</b>
2	Investing in new business initiatives, acquisitions and strategic partnerships	20,000		20,000
	i) Investments in new business initiatives			
	a) Payment Services		-	
	b) Commerce and cloud services		-	
	c) Financial Services		-	
	ii) Investments in acquisitions and strategic partnerships		-	
	<b>Total (B)</b>	<b>20,000</b>	<b>-</b>	<b>20,000</b>
3	General corporate purposes	18,134	2,028	16,106
	<b>Total (C)</b>	<b>18,134</b>	<b>2,028</b>	<b>16,106</b>
	<b>Total (A+B+C)</b>	<b>81,134</b>	<b>9,498</b>	<b>71,636</b>

Net IPO proceeds which were un-utilised as at March 31, 2022 were temporarily invested in fixed deposits with scheduled commercial banks and in monitoring agency account.

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



One 97 Communications Limited  
Notes to the Standalone Audited Financial Results

9. During the quarter ended December 31, 2021, the Company had granted 26,583,315 Employee Stock Option (ESOPs) which has resulted in an expense of INR 7,062 million for the year ended March 31, 2022. Out of the above (as disclosed in the prospectus dated November 11, 2021) a grant of 21,000,000 ESOP has been made to the Managing Director and CEO of the Company which is subject to achievement of certain milestones and will vest equally in 4 tranches, having minimum vesting period of 24 months, 36 months, 48 months and 60 months for each tranche respectively.
10. During the period ended June 30, 2021, the Company had filed an adjudication application under Section 454 read with Section 62(1)(b) and Section 450 of the Companies Act, 2013 before the office of the Registrar of Companies, NCT of Delhi & Haryana (ROC) on June 26, 2021, to adjudicate on the non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 ("the Rules") in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. Consequently, the Company had cancelled the said ESOP grants on July 5, 2021. Further, the shares issued to the concerned employee pursuant to exercise of certain vested ESOPs were also transferred by the employee to Paytm Associate Benefit Welfare Trust (Formerly known as One97 Employee Welfare Trust). The cumulative charge recognized till date in respect of the aforesaid ESOPs amounted to INR 106 million.

During the quarter ended December 31, 2021, the ROC vide its order dated November 30, 2021, had directed the Company to move an appropriate application for composition of offence under the relevant provision of the Act. Consequently, the Company has filed a compounding application under section 441 read with section 62(1)(b) and Section 450 of the Act read with the Rules, before the Office of the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi ('RD') on December 25, 2021.

On March 15, 2022 RD has issued an order whereby RD has compounded the offence and levied compounding fees which has been duly paid and aforesaid matter is closed.

11. As of March 31, 2022, the Company has certain foreign currency receivable balances aggregating to INR 24 million, INR 64 million and INR 261 million which are outstanding for more than nine months, fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020, for the exports made up to or on July 31, 2020) and three years, respectively. The Company has applied to the Authorised Dealer Bank (AD) Bank seeking permission for extension of time for realisation for receivables amounting to INR 63 million and write-off of receivables amounting to INR 1 million. Further, an application has been made to the Reserve Bank of India (RBI) vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of outstanding receivable balances amounting to INR 191 million and write off of receivable balances amounting to INR 94 million and the approval is currently awaited.

As of March 31, 2022, the Company also has certain foreign currency payable balances aggregating to INR 1.33\* million which are outstanding for more than three years. The Company has also filed an application to RBI vide letters dated July 29, 2021 and August 9, 2021 for permission to write-back the aforesaid payable balances and approval is currently awaited.

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

\* Amount disclosed up to two decimal places



One 97 Communications Limited  
Notes to the Standalone Audited Financial Results

12. Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021, the comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current year figures.

**For and on behalf of Board of Directors of  
One 97 Communications Limited**



**Vijay Shekhar Sharma**  
Chairman, Managing Director and CEO  
Place: New Delhi  
Date: May 20, 2022

