

# Price Waterhouse Chartered Accountants LLP

## Review Report

To  
The Board of Directors  
M/s One 97 Communications Limited  
One Skymark, Tower-D, Plot No. H-10B  
Sector-98, Noida 201304, Uttar Pradesh

1. We have reviewed the Unaudited Consolidated Financial Results of One 97 Communications Limited (the "Parent"), its subsidiaries (the Parent and its subsidiaries hereinafter referred to as the "Group"), and its share of the net profit/loss after tax of its joint ventures and associates (refer paragraph 4 below) for the quarter ended December 31, 2022 and the year to date results for the period April 1, 2022 to December 31, 2022, which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the quarter and nine months period ended December 31, 2022 (the "Statement"). The Statement has been prepared by the Parent pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes.
  2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act"), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
  3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the results of the entities listed in Annexure A.



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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)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, other than the unreviewed financial statements/ financial information as certified by the management and referred to in paragraph 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw your attention to the following matters:

- a) Note 3 to the Statement relating to non-realisation of foreign currency receivables as at December 31, 2022 aggregating to INR 309 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.
- b) Note 7(a) to the Statement relating to one of the Subsidiary Company regarding letter received from the Reserve Bank of India requiring the Subsidiary Company to obtain necessary approval for past downward investment from its parent company, One 97 Communications Limited, in compliance with Foreign Direct Investment (FDI) Guidelines and resubmit its application for authorization to set up Payment System under sub-section (1) of Section 5 of the Payment and Settlement Systems Act, 2007 with the Department of Payment and Settlement Systems, RBI and directing the Subsidiary Company not to onboard new merchants. The Subsidiary Company has applied to the requisite government authorities, which is under process and further the Subsidiary Company has currently ceased onboarding new merchants as directed by the RBI.

Our conclusion on the Statement is not modified in respect of the above matters

7. The following emphasis of matter paragraph has been included in the Independent Auditor's Report dated January 16, 2023, issued by independent firm of chartered accountants on the review of the Special Purpose Unaudited Financial Information of Paytm Payments Bank Limited which has been reported as under:

"Attention is drawn to note no 2(f) regarding the receipt of the comprehensive Systems Audit (IT Audit) report by the Bank received during the quarter which was undertaken through an external auditor appointed by the RBI and compliance thereof by the Bank which is currently in process. Our conclusion is not modified in respect of above matter."

Note 2(f) referred above corresponds to Note 7(b) to the Statement.



8. We did not review the interim financial statements/ financial information of 13 subsidiaries included in the Unaudited Consolidated Financial Results, whose interim financial statements/ financial information reflect total revenues of INR 1,808 million and INR 4,481 million, total net profit after tax of INR 7 million and INR 115 million and total comprehensive income of INR 2,112 million and INR 1,165 million, for the quarter ended December 31, 2022 and for the period from April 1, 2022 to December 31, 2022, respectively, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net profit after tax of INR 71 million and INR 4 million and total comprehensive income of INR 71 million and INR (-) 1 million for the quarter ended December 31, 2022 and for the period from April 1, 2022 to December 31, 2022, respectively, as considered in the Unaudited Consolidated Financial Results, in respect of 2 associates, whose interim financial statements/ financial information have not been reviewed by us. These interim financial statements/ financial information have been reviewed by other auditors and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of this matter.
9. The Unaudited Consolidated Financial Results includes the interim financial statements/ financial information of 7 subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial information reflect total revenue of INR 2 million and INR 7 million, total net loss after tax of INR 10 million and INR 23 million and total comprehensive loss of INR 10 million and INR 23 million for the quarter ended December 31, 2022 and for the period from April 1, 2022 to December 31, 2022, respectively, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net profit after tax of INR 4 million and INR (-) 5 million and total comprehensive income of INR 4 million and (-) 5 million for the quarter ended December 31, 2022 and for the period from April 1, 2022 to December 31, 2022, respectively, as considered in the Unaudited Consolidated Financial Results, in respect of 6 associates and 2 joint ventures, based on their interim financial statements/ financial information which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, this interim financial statements / financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

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



Amitesh Dutta  
Partner

Membership Number: 058507  
UDIN: 23058507BGYAWI2597

Place: Gurugram  
Date: February 3, 2023



**Annexure A****List of entities**

<b>Sl. No.</b>	<b>Name of the Company</b>
<b>A.</b>	<b>Subsidiaries (Direct)</b>
1	One97 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
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 ('PFSL')
6	Infinity Transoft Solution Private Limited
7	Eatgood Technologies Private Limited
8	Socomo Technologies Private Limited



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

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



Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income</b>						
Revenue from operations	20,622	19,140	14,561	58,558	34,333	49,742
Other income	780	996	773	2,796	1,826	2,901
<b>Total income</b>	<b>21,402</b>	<b>20,136</b>	<b>15,334</b>	<b>59,354</b>	<b>36,159</b>	<b>52,643</b>
<b>Expenses</b>						
Payment processing charges	7,378	7,458	7,831	21,774	19,796	27,538
Marketing and promotional expenses	2,263	3,275	2,831	8,719	6,065	8,554
Employee benefits expense <sup>#</sup>	9,456	9,441	8,313	28,014	15,685	24,319
Software, cloud and data centre expenses	1,709	1,728	1,301	5,059	3,488	4,999
Depreciation and amortization expense	1,240	1,043	609	3,255	1,522	2,473
Finance costs	54	53	125	162	324	394
Other expenses	3,123	2,616	2,164	8,016	5,411	7,734
<b>Total expenses</b>	<b>25,223</b>	<b>25,614</b>	<b>23,174</b>	<b>74,999</b>	<b>52,291</b>	<b>76,011</b>
<b>Loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax</b>	<b>(3,821)</b>	<b>(5,478)</b>	<b>(7,840)</b>	<b>(15,645)</b>	<b>(16,132)</b>	<b>(23,368)</b>
Share of profit / (loss) of associates / joint ventures	50	(92)	111	(102)	(76)	(459)
<b>Loss before exceptional items and tax</b>	<b>(3,771)</b>	<b>(5,570)</b>	<b>(7,729)</b>	<b>(15,747)</b>	<b>(16,208)</b>	<b>(23,827)</b>
Exceptional items <sup>##</sup>	-	-	-	-	(24)	(24)
<b>Loss before tax</b>	<b>(3,771)</b>	<b>(5,570)</b>	<b>(7,729)</b>	<b>(15,747)</b>	<b>(16,232)</b>	<b>(23,851)</b>
<b>Income Tax expense</b>						
Current tax	169	130	65	347	113	151
Deferred tax expense / (credit)	(19)	15	(9)	(4)	(6)	(38)
<b>Total Tax expense</b>	<b>150</b>	<b>145</b>	<b>56</b>	<b>343</b>	<b>107</b>	<b>113</b>
<b>Loss for the period / year</b>	<b>(3,921)</b>	<b>(5,715)</b>	<b>(7,785)</b>	<b>(16,090)</b>	<b>(16,339)</b>	<b>(23,964)</b>
<b>Other comprehensive income</b>						
Items that will not be reclassified to profit or loss in subsequent period / year						
Re-measurement gains / (losses) on defined benefit plans	(3)	(10)	22	(51)	(16)	(21)
Changes in the value of equity instruments at FVTOCI (Refer note 8)	2,074	(230)	-	1,022	-	9,376
Items that may be reclassified to profit or loss in subsequent period / year						
Exchange differences on translation of foreign operations	964	12	(1)	1,125	8	194
<b>Total other comprehensive income / (loss) for the period / year</b>	<b>3,035</b>	<b>(228)</b>	<b>21</b>	<b>2,096</b>	<b>(8)</b>	<b>9,549</b>
<b>Total comprehensive income / (loss) for the period / year</b>	<b>(886)</b>	<b>(5,943)</b>	<b>(7,764)</b>	<b>(13,994)</b>	<b>(16,347)</b>	<b>(14,415)</b>
<b>Loss for the period / year</b>						
Attributable to:						
Owners of the parent	(3,920)	(5,711)	(7,784)	(16,075)	(16,315)	(23,929)
Non-controlling interests	(1)	(4)	(1)	(15)	(24)	(35)
<b>Other comprehensive income for the period / year</b>	<b>(3,921)</b>	<b>(5,715)</b>	<b>(7,785)</b>	<b>(16,090)</b>	<b>(16,339)</b>	<b>(23,964)</b>
Attributable to:						
Owners of the parent	3,035	(228)	21	2,096	(8)	9,549
Non-controlling interests	-	-	-	-	-	-
<b>Total comprehensive income / (loss) for the period / year</b>	<b>3,035</b>	<b>(228)</b>	<b>21</b>	<b>2,096</b>	<b>(8)</b>	<b>9,549</b>
Attributable to:						
Owners of the parent	(885)	(5,939)	(7,763)	(13,979)	(16,323)	(14,380)
Non-controlling interests	(1)	(4)	(1)	(15)	(24)	(35)
<b>Paid up equity share capital</b>	<b>648</b>	<b>649</b>	<b>648</b>	<b>648</b>	<b>648</b>	<b>649</b>
<b>Face value of the share (INR)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Other equity</b>						<b>140,867</b>
<b>Earnings per share (INR per share of INR 1 each) (not annualised)</b>						
Basic	(6)	(9)	(12)	(25)	(27)	(38)
Diluted	(6)	(9)	(12)	(25)	(27)	(38)
#includes Share based payment expenses	3,622	3,711	3,895	10,925	4,478	8,093
##includes Impairment of Goodwill	-	-	-	-	(24)	(24)

See accompanying notes to the Unaudited Consolidated Financial Results

\*Amount below rounding off norms adopted by the Group





One 97 Communications Limited  
Notes to the Unaudited Consolidated Financial Results

1. The above statement of Unaudited Consolidated Financial Results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on February 3, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.
2. 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.
3. As of December 31, 2022, the Group has certain foreign currency receivable balances aggregating to INR 34 million, INR 23 million and INR 252 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 of receivables amounting to INR 57 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 for outstanding receivable balances amounting to INR 153 million and write off of receivable balances amounting to INR 94 million and approval is currently awaited.

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

4. The government has removed substantially all COVID-19 related restrictions gradually in a phased manner and the Group has seen improvement in its operations. The Group has made an assessment of the recoverability and carrying values of its assets as at the end of the quarter and nine months period ended December 31, 2022 and has concluded that there are no material adjustments required in the Unaudited Consolidated Financial Results. Management believes that it has considered all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Unaudited Consolidated Financial Results.
5. The Board of Directors at its meeting held on December 13, 2022 have approved buy-back of equity shares amounting to INR 8,500 million (Maximum buy-back size, excluding transaction costs and tax on buy-back) at a price not exceeding INR 810 per equity share (Maximum buy-back price). The buy-back has been offered to the equity shareholders of the Company under the open market route through the stock exchanges.

The buy-back of equity shares commenced on December 21, 2022. During the quarter ended December 31, 2022, 1,490,000 equity shares (including 175,000 equity shares settled on January 3, 2023) have been bought back and subsequently these have been extinguished.

Consequent to the said buy-back, the equity share capital has been reduced by INR 1 million and an equivalent amount has been transferred from securities premium account to capital redemption reserve. Further INR 1,022 million has been debited to the securities premium account on account of premium on shares bought back, related transaction costs and related taxes.



One 97 Communications Limited  
Notes to the Unaudited Consolidated Financial Results

6. During the year ended March 31, 2022, the Company had 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 had 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 had 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	Amount Utilised up to December 31, 2022	Amount Un-utilised as on December 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		16,205
	i) Marketing and promotional expenses		5,095	
	ii) Expanding our merchant base and deepening our partnership with our merchants		10,675	
	iii) Strengthening and expanding our technology powered payments platform		11,025	
	<b>Total (A)</b>	<b>43,000</b>	<b>26,795</b>	<b>16,205</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	6,343	11,791
	<b>Total (C)</b>	<b>18,134</b>	<b>6,343</b>	<b>11,791</b>
	<b>Total (A+B+C)</b>	<b>81,134</b>	<b>33,138</b>	<b>47,996</b>

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





One 97 Communications Limited  
Notes to the Unaudited Consolidated Financial Results

7. Notes given by the subsidiary and associate in their respective Unaudited Special Purpose Interim Condensed Financial Statements/Information:

a) Paytm Payments Services Limited (Subsidiary):

"The Company filed an application for authorization to set up Payment System ('PA application') under sub-section (1) of Section 5 of the Payment and Settlement Systems Act, 2007 with the Department of Payment and Settlement Systems, Reserve Bank of India ("RBI") on January 8, 2021, in response to which, the Company has received a letter from the RBI on November 25, 2022. As per the letter, the Company is required to obtain necessary approval for past downward investment from its parent company, One 97 Communications Limited ("OCL"), in compliance with Foreign Direct Investment ("FDI") Guidelines and resubmit the PA application within 120 calendar days. The Company has applied to the requisite government authorities seeking approval for the past downward investment made by OCL on December 14, 2022, which is still under process. Further, RBI has directed the Company not to onboard new merchants. Management has assessed that this does not have a material impact on our business and revenues since the communication from RBI is applicable only to onboarding of new merchants."

b) Paytm Payments Bank Limited (Associate):

"On October 21, 2022 the Bank had received from RBI the report of the comprehensive systems audit (IT Audit) undertaken through an external auditor appointed by RBI. The observations in the report outlined the need for continued strengthening of IT outsourcing processes and operational risk management, including KYC/AML at the Bank. The Bank submitted its response to RBI informing the manner in which the observations of RBI are being addressed by the Bank. Upon review of the Bank's response, RBI suggested in December 2022 remediating action steps to be taken by the Bank in a time bound manner. The Bank is currently in the process of complying with these action steps and submitting its compliance to RBI.

The Banks management assessed that there is no material financial impact of the aforementioned IT audit report observations / remediating action steps on the financial results of the Bank for the quarter and nine months ended December 31, 2022."

8. Changes in fair value of equity instruments at FVTOCI represents the fair value gain and related foreign exchange component on investments in stock acquisition rights of PayPay Corporation which are held by a subsidiary company.
9. Comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current period figures.

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



**Vijay Shekhar Sharma**  
Chairman, Managing Director and CEO  
Place: Seoul, South Korea  
Date: February 3, 2023



# Price Waterhouse Chartered Accountants LLP

## Review Report

To,  
The Board of Directors  
M/s. One 97 Communications Limited  
One Skymark, Tower-D, Plot No. H-10B  
Sector-98, Noida 201304, Uttar Pradesh

1. We have reviewed the Unaudited Standalone Financial Results of One 97 Communications Limited (the "Company") for the quarter ended December 31, 2022, and the year to date results for the period April 1, 2022 to December 31, 2022, which are included in the accompanying Statement of Unaudited Standalone Financial Results for the quarter and nine months period ended December 31, 2022 (the "Statement"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



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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)

5. We draw your attention to Note 4 to the Statement relating to non-realisation of foreign currency receivable balances as at December 31, 2022 aggregating to INR 303 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. Our conclusion on the Statement is not modified in respect of the aforesaid matter.

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



Amitesh Dutta  
Partner

Membership Number: 058507  
UDIN: 23058507BGYAWJ3215

Place: Gurugram  
Date: February 3, 2023



Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021	March 31, 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Income</b>						
Revenue from operations	15,739	14,044	9,210	42,237	28,193	38,924
Other income	803	858	783	2,674	1,749	2,830
<b>Total income</b>	<b>16,542</b>	<b>14,902</b>	<b>9,993</b>	<b>44,911</b>	<b>29,942</b>	<b>41,754</b>
<b>Expenses</b>						
Payment processing charges	4,410	4,078	3,674	12,481	15,614	19,855
Marketing and promotional expenses	2,088	2,956	2,618	7,920	5,759	7,907
Employee benefits expense <sup>##</sup>	8,322	8,014	6,716	23,972	12,248	19,072
Software, cloud and data centre expenses	1,600	1,677	1,121	4,799	3,187	4,516
Depreciation and amortization expense	1,196	997	560	3,119	1,382	2,282
Finance costs	52	50	117	154	308	381
Other expenses	2,902	3,018	2,985	8,602	7,360	10,548
<b>Total expenses</b>	<b>20,570</b>	<b>20,790</b>	<b>17,791</b>	<b>61,107</b>	<b>45,858</b>	<b>64,561</b>
<b>Loss before exceptional items and tax</b>	<b>(4,028)</b>	<b>(5,888)</b>	<b>(7,798)</b>	<b>(16,196)</b>	<b>(15,916)</b>	<b>(22,807)</b>
Exceptional items <sup>###</sup>	(329)	-	-	(329)	(441)	(441)
<b>Loss before tax</b>	<b>(4,357)</b>	<b>(5,888)</b>	<b>(7,798)</b>	<b>(16,525)</b>	<b>(16,357)</b>	<b>(23,248)</b>
<b>Income Tax expense</b>						
Current tax	-	-	-	-	3	3
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3</b>
<b>Loss for the period / year</b>	<b>(4,357)</b>	<b>(5,888)</b>	<b>(7,798)</b>	<b>(16,525)</b>	<b>(16,360)</b>	<b>(23,251)</b>
<b>Other comprehensive income</b>						
Items that will not be reclassified to profit or loss in subsequent period / year						
Re-measurement gains/ (losses) on defined benefit plans	4	(5)	23	(35)	(11)	(18)
<b>Total other comprehensive income/ (loss) for the period / year</b>	<b>4</b>	<b>(5)</b>	<b>23</b>	<b>(35)</b>	<b>(11)</b>	<b>(18)</b>
<b>Total comprehensive income/ (loss) for the period / year</b>	<b>(4,353)</b>	<b>(5,893)</b>	<b>(7,775)</b>	<b>(16,560)</b>	<b>(16,371)</b>	<b>(23,269)</b>
<b>Paid up equity share capital</b>	<b>648</b>	<b>649</b>	<b>648</b>	<b>648</b>	<b>648</b>	<b>649</b>
<b>Face value of the share (INR)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Other equity</b>						<b>136,476</b>
<b>Earnings per share (INR per share of INR 1 each) (not annualised)</b>						
Basic	(7)	(9)	(12)	(25)	(27)	(37)
Diluted	(7)	(9)	(12)	(25)	(27)	(37)
<sup>##</sup> includes Share based payment expenses	3,535	3,470	3,644	10,359	4,116	7,498
<sup>###</sup> includes Impairment of investment in associates and subsidiaries	(329)	-	-	(329)	(441)	(441)

See accompanying notes to the Unaudited Standalone Financial Results



One 97 Communications Limited  
Notes to the Unaudited Standalone Financial Results

1. The above statement of Unaudited Standalone Financial Results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on February 3, 2023. The Statutory Auditors of the Company have carried out Limited Review of the aforesaid results.
2. 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.
3. The Company had 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, as amended. For accounting purposes date of effective loss of control over the above business was 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. Consequent to the aforesaid transfer, results for the nine months period ended December 31, 2022 is not comparable with the results of nine months period ended December 31, 2021.
4. As of December 31, 2022, the Company has certain foreign currency receivable balances aggregating to INR 33 million, INR 23 million and INR 247 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 of receivables amounting to INR 55 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 for outstanding receivable balances amounting to INR 153 million and write off of receivable balances amounting to INR 94 million and approval is currently awaited.

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

5. The government has removed substantially all COVID-19 related restrictions gradually in a phased manner and the Company has seen improvement in its operations. The Company has made an assessment of the recoverability and carrying values of its assets as at the end of the quarter and nine months period ended December 31, 2022, and has concluded that there are no material adjustments required in the Unaudited Standalone Financial Results. Management believes that it has considered all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Unaudited Standalone Financial Results.
6. The Board of Directors at its meeting held on December 13, 2022, have approved buy-back of equity shares amounting to INR 8,500 million (Maximum buy-back size, excluding transaction costs and tax on buy-back) at a price not exceeding INR 810 per equity share (Maximum buy-back price). The buy-back has been offered to the equity shareholders of the Company under the open market route through the stock exchanges.

The buy-back of equity shares opened on December 21, 2022. During the quarter ended December 31, 2022, 1,490,000 equity shares (including 175,000 equity shares settled on January 3, 2023) have been bought back and subsequently these have been extinguished.

Consequent to the said buy-back, the equity share capital has been reduced by INR 1 million and an equivalent amount has been transferred from securities premium account to capital redemption reserve. Further INR 1,022 million has been debited to the securities premium account on account of premium on shares bought back, related transaction costs and related taxes.





One 97 Communications Limited  
Notes to the Unaudited Standalone Financial Results

7. During the year ended March 31, 2022, the Company had 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 had 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 had 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	Amount Utilised up to December 31, 2022	Amount Un-utilised as on December 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		16,205
	i) Marketing and promotional expenses		5,095	
	ii) Expanding our merchant base and deepening our partnership with our merchants		10,675	
	iii) Strengthening and expanding our technology powered payments platform		11,025	
	<b>Total (A)</b>	<b>43,000</b>	<b>26,795</b>	<b>16,205</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	6,343	11,791
	<b>Total (C)</b>	<b>18,134</b>	<b>6,343</b>	<b>11,791</b>
	<b>Total (A+B+C)</b>	<b>81,134</b>	<b>33,138</b>	<b>47,996</b>

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





One 97 Communications Limited  
Notes to the Unaudited Standalone Financial Results

8. Comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current period figures.

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



**Vijay Shekhar Sharma**  
Chairman, Managing Director and CEO  
Place: Seoul, South Korea  
Date: February 3, 2023

