



July 21, 2023

**BSE Limited**

Department of Corporate Services,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**National Stock Exchange of India Limited**

The Listing Department,  
Exchange Plaza,  
Bandra Kurla Complex,  
Mumbai – 400 051

Scrip Code: 543396

Symbol: PAYTM

**Sub.: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Earnings Release**

Dear Sir / Ma'am,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with NSE Circular No. NSE/CML/2023/20 dated March 15, 2023 and BSE Circular No. 20230315-41 dated March 15, 2023, please find enclosed copy of Earnings Release for the quarter ended June 30, 2023.

The Earnings Release will also be hosted on the Company's website viz. [www.paytm.com](http://www.paytm.com).

Kindly take the same on record.

Thanking you

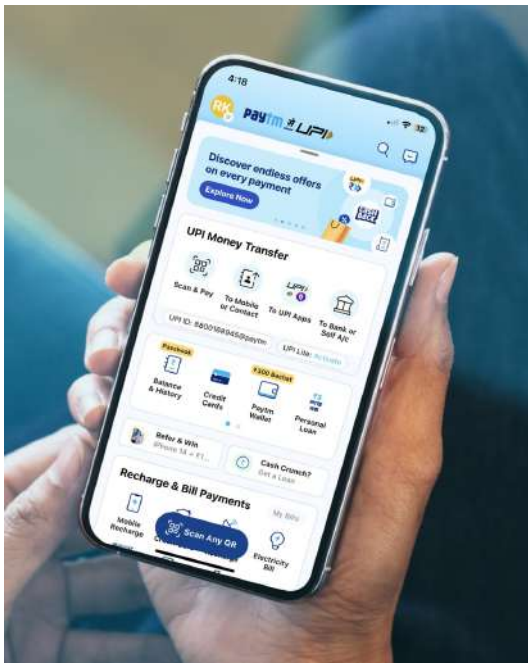
Yours Sincerely,

**For One 97 Communications Limited**

**Madhur Deora**

**Executive Director, President and Group CFO**

*Encl.: As above*



# Earnings Release

Quarter ending Jun 2023

21 July 2023

paytm

# Revenue of ₹2,342 Cr, 39% YoY growth; Profitability improves further

## Key Financial Highlights:

- Paytm reported revenue of ₹2,342 Cr, a growth of 39% YoY
- Contribution profit up 80% YoY to ₹1,304 Cr (margin of 56%, expansion of 12 percent point YoY)
- EBITDA before ESOP up ₹359 Cr YoY to ₹84 Cr (margin of 4%, up 20 percent point YoY); Q4 FY 2023 EBITDA before ESOP, on like-for-like basis, (excluding ₹182 Cr UPI incentive) was ₹52 Cr

## Payment Business:

- Revenue from payments business up 31% YoY to ₹1,414 Cr; GMV up 37% YoY to ₹4.05 Lakh Cr
- Net payment margin up 69% YoY to ₹648 Cr; Payment processing margin is at the high end of 7-9bps range (excluding UPI incentive, since no incentive was recorded this quarter)
- Merchant paying subscription for devices has reached 79 Lakh, an increase of 41 Lakh YoY and 11 Lakh QoQ

## Loan Distribution Business:

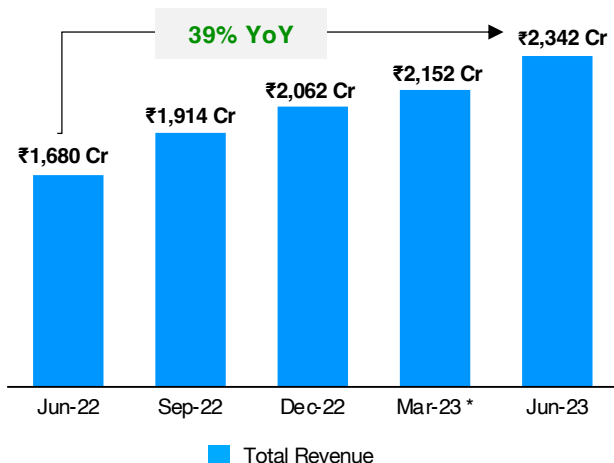
- Revenue from financial services and others up 93% YoY to ₹522 Cr
- Loan distribution continues to scale with ₹14,845 Cr of loan disbursement (up 167% YoY); Unique borrowers, who have taken loan through Paytm platform, reaches 1.06 Cr

For Q1 FY 2024, we continued our momentum with 39% YoY revenue growth, led by increase in GMV, merchant subscription revenues, and growth of loans distributed through our platform. There are no UPI incentives booked during the quarter as we book UPI incentives after government issues the gazette notification, which is typically in H2 of the financial year.

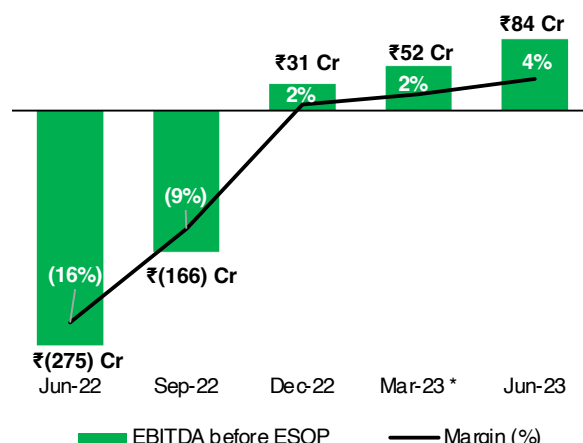
Net payment margin has gone up due to increase in net payment processing margin and increase in merchant subscription revenues. Net Payment Processing Margin has further improved and is now at the top end of 7-9bps range due to: a) increase in GMV of non-UPI instruments like EMI and cards, and b) lower interchange cost for Wallet, post interoperability circular by NPCI, and Postpaid due to better portfolio quality

Contribution margin expanded to 56% this quarter, an increase of 12 percent point YoY, with increase in net payment margin and growth in loan distribution business. As communicated in Q4 FY 2023 earnings release, our indirect costs went up this quarter along expected lines (up 22% YoY) due to increase in marketing costs related to IPL, impact of appraisals, and expansion of sales and technology teams. Q1 FY 2024 EBITDA before ESOP, was ₹84 Cr, up ₹359 Cr YoY.

## Strong revenue growth momentum\*



## Continuous improvement in EBITDA before ESOP \*



\* For like-for-like comparisons, Mar-23 revenue and EBITDA in the above chart excludes ₹182 Cr UPI incentives received in that quarter



## Strengthening payment leadership through expanding subscription paying merchants

Paytm helps merchants accept mobile payments, and have created a network of 3.6 Cr merchants. As mobile payments are becoming mainstream, our merchants are seeking more technology and the demand for products such as Soundbox and Card machine, is rising. Over last 1 year, our merchant subscriber base has more than doubled to 79 Lakh as of June 2023. We believe India has potential of 10 Cr merchants accepting mobile payments. Considering this large scale of opportunity, and our ability to monetise them, we continue to invest in expanding our merchant acquiring sales teams with an addition of nearly 10,000 members over last year.

Paytm app, with its offering to pay for various use cases through comprehensive payment instruments, such as UPI, Wallet, Postpaid, Cards, etc., continues to attract customers. Our Average Monthly Transacting Users (MTU) for Q1 FY 2024 grew by 23% YoY to 9.2 Cr as adoption of mobile payments for consumers in India continues. We continue to make investments in marketing to grow our user base.

	Unit	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	YoY %
Average MTU	Cr	7.5	8.0	8.5	9.0	9.2	23%
Gross Merchandise Value	₹ Lakh Cr	2.96	3.18	3.46	3.62	4.05	37%
Merchant Subscriptions	Lakh	38	48	58	68	79	109%
Number of loans distributed	Lakh	85	92	105	119	128	51%
Value of loans distributed	₹ Cr	5,554	7,313	9,958	12,554	14,845	167%

## Loan distribution to existing customers drives profitable monetization

Our payments business is our acquisition engine, which helps us to get insights about customers' behavior and enables us to distribute suitable credit products to them. As we have mentioned before, we continue to work with our partners to ensure superior credit quality for loans distributed through us. To ensure that portfolio performance of our lending partners improves despite economic uncertainties, our credit disbursement growth will be deliberately calibrated over the next quarter or two. We have been able to successfully demonstrate improving credit quality for our shortest-tenure product, Paytm Postpaid, where the ECL has been improving and has come down to 0.65%-0.85% range from 0.75%-1.00% range in Q4 FY 2023.

High quality outcomes for our partners has enabled us to bring new partners and scale existing ones. As a result, until June 2023, 1.06 Cr unique borrowers have taken a loan through our platform. In Q1 FY 2024, across our three product offerings (Paytm Postpaid, Personal Loans, and Merchant Loans), loans amounting to ₹14,845 Cr were distributed through the Paytm platform. We have partnered with 8 NBFCs and Banks. In the previous quarter, we stated our aim to onboard 3-4 partners in FY 2024. In Q1 FY 2024, we added Shriram Finance as a lending partner for digital credit for merchant loans and consumer loans.

## Growth Drivers in Our Business

- Low penetration of mobile payments in India on the merchant side; Increasing adoption of technology by merchants, such as Soundbox, Card Machines
- Innovations in the payment ecosystem e.g. UPI Lite, RuPay Credit Cards on UPI, and Multi-Bank/Brands EMI aggregation, Paytm UPI SDK etc.
- Low penetration of loan distribution products provides ample opportunity of growth while ensuring superior credit quality
- Scale up supported by regulatory clarity on digital lending and addition of new lending partners
- Bonds trading platform for retail investors launched by Paytm Money

## Key Metrics for the quarter ending Jun 2023 (Q1 FY 2024)

### Revenue from Operations

Driven by increase in merchant subscription revenues, increase in GMV and growth in disbursements of loans through our platform

₹2,342 Cr

▲ 39% YoY

### Contribution Profit

Contribution margin increased to 56%, expansion of 12 percent point YoY, due to increase in net payment margin and growth in loan distribution business

₹1,304 Cr

▲ 80% YoY

### EBITDA before ESOP

Margin improved to 4%, an expansion of 20 percent points YoY, on account of increase in contribution margin and operating leverage

₹84 Cr

▲ ₹359 Cr YoY

### Merchant Subscriptions (including devices)

Our leadership in payment monetization continues. Added 11 Lakh new subscriptions in last quarter

79 Lakh

▲ 109% YoY

### Loans Distributed through Paytm

As of June 2023, our lending partners have distributed loans through our platform to 1.06 Cr Paytm consumers and merchants. Paytm active user base continues to present significant upsell opportunities

₹14,845 Cr

▲ 167% YoY

# Financial Update for quarter ending June 2023 (Q1 FY 2024)

## Payment Services: Leadership in payment monetization with improving profitability

Our payment business continues to scale led by increase in GMV and higher subscription revenue. In Q1 FY 2024, payments revenue grew by 31% YoY to ₹1,414 Cr.

### Improved payments profitability

Payments profitability further improved with Q1 FY 2024 net payment margin expanding 69% YoY to ₹648 Cr. On QoQ basis, excluding UPI incentive, net payment margin increased from ₹505 Cr to ₹648 Cr. Net Payment Margin is comprised of:

**1. Payment Processing Margin:** Q1 FY 2024 GMV grew 37% YoY to ₹4.05 Lakh Cr. Despite no UPI incentives received during the quarter, payment processing margin was at the high end of guided 7-9bps range (of GMV) due to:

- Increase in GMV of non-UPI instruments like EMI and cards
- Lower interchange cost for Wallet, post interoperability circular by NPCI, and Postpaid due to better portfolio quality

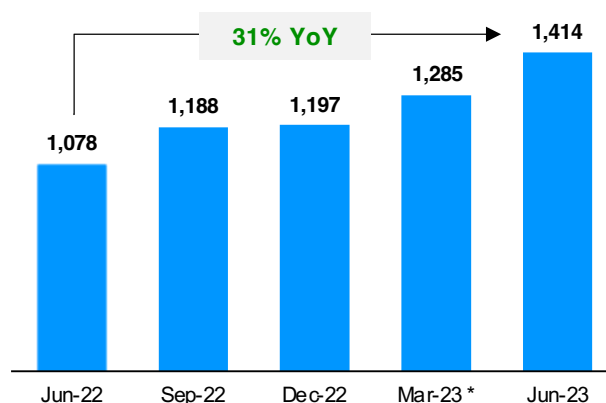
In the medium to long term, we expect payment processing margin to settle at 5-7bps as share of UPI transactions increases.

**2. Subscription revenues:** As of June 2023, merchant subscriptions were 79 Lakh, increasing 41 Lakh YoY and 11 Lakh QoQ. We see sustained traction and earn ₹100 to ₹500 per month per device.

### Payment Services Revenue \*

(in ₹ Cr)

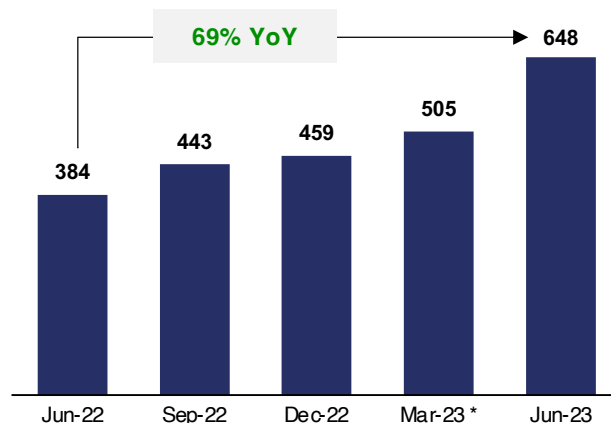
(Qtr ending)



### Net Payment Margin \*

(in ₹ Cr)

(Qtr ending)



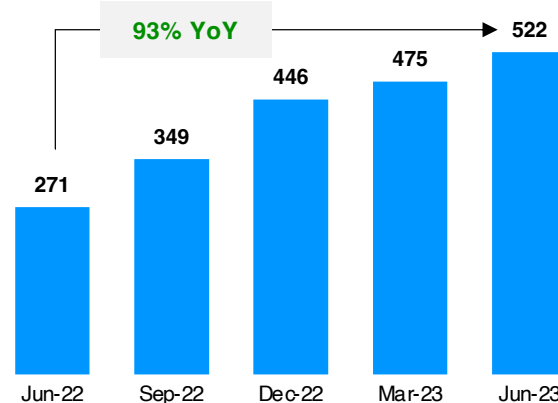
\* For like-for-like comparisons, Mar-23 payment revenue and net payment margin in the above chart excludes ₹182 Cr UPI incentives received in that quarter

## Financial Services and Others: Growing digital distribution of credit

In Q1 FY 2024, revenue for financial services and others grew 93% YoY to ₹522 Cr. Due to the increase in repo rates over the last year, we have absorbed a small percentage of this increase to maintain the right portfolio mix and quality of acquisition. This will ensure better portfolio outcome for our partners and will drive our collection incentives in the coming quarters.

### Revenue: Financial Services and Others

(in ₹ Cr) (Qtr ending)



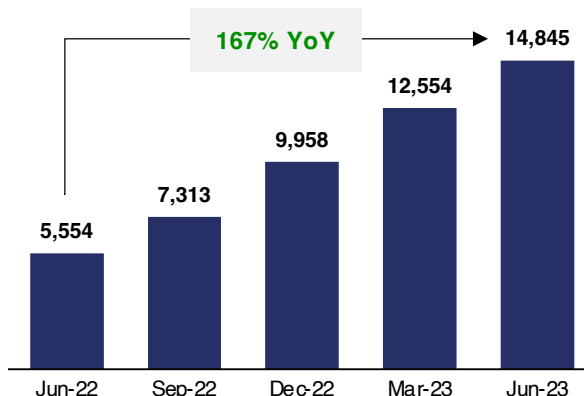
## Loan Distribution & Collection

In Q1 FY 2024, the number of loans distributed through our platform grew to 1.28 Cr, a growth of 51% YoY. The value of loans distributed grew to ₹14,845 Cr, a growth of 167% YoY. Total number of unique borrowers who have taken a loan through our platform has increased by 49 Lakh over last 1 year to 1.06 Cr. This growing borrower base offers us tremendous upsell and lifecycle benefits.

With addition of Shriram Finance as a new lending partner during the quarter, we now have 8 bank and NBFC partners across all our products (including credit cards).

### Value of Loans Distributed through Paytm

(in ₹ Cr) (Qtr ending)



### # of Loans (Cr)

0.85	0.92	1.05	1.19	1.28
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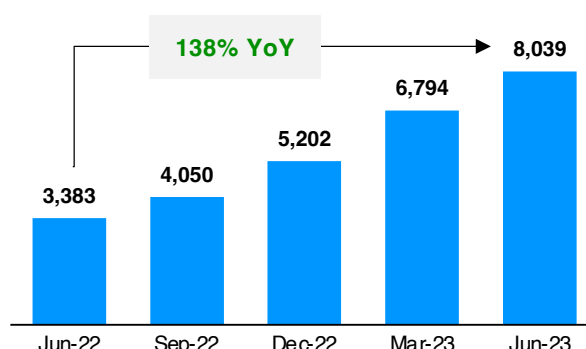
## Paytm Postpaid

The number of Postpaid Loans distributed grew 49% YoY, while the value of Postpaid Loans grew 138% YoY. Our large Postpaid customer base also provides cross-sell opportunities for Personal Loans and Credit Cards.

Penetration<sup>1</sup> for Postpaid is at 4.5% of MTU.

### Value of Loans: Postpaid

(in ₹ Cr) (Qtr ending)



### # of Loans (Cr)

0.83	0.89	1.01	1.15	1.23
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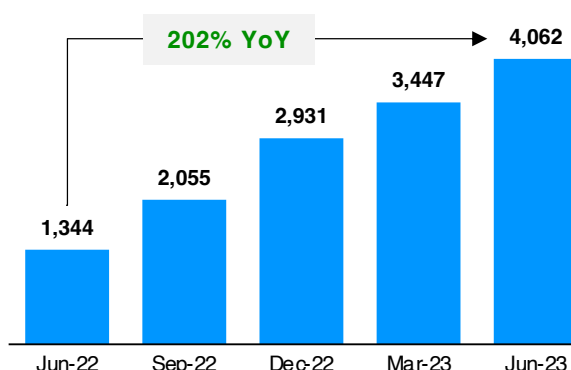
## Personal Loans

The number of Personal Loans distributed grew 128% YoY, while the value of Personal Loans grew 202% YoY to ₹4,062 Cr. Average ticket size is ~₹135,000 with average tenure of ~15 months. Cross-sell from Postpaid continues to see traction with over 40% of personal loans distributed in Q1 FY 2024 to existing Paytm Postpaid users.

Penetration<sup>1</sup> for Personal loans is at 1.1% of MTU.

### Value of Loans: Personal Loans

(in ₹ Cr) (Qtr ending)



### # of Loans (Lakh)

1.3	1.9	2.4	2.7	3.0
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## Merchant Loans

The number of Merchant Loans distributed grew 141% YoY in Q1 FY 2024, while the value of Merchant Loans grew 232% YoY to ₹2,744 Cr.

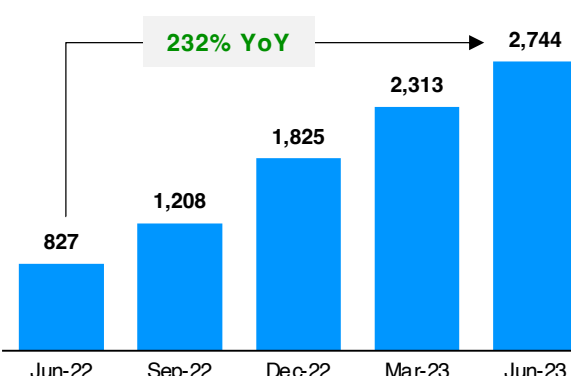
Proportion of loans distributed to a subscription merchant remains greater than 85% this quarter.

Average ticket size is ~₹190,000 with average tenure of ~13 months. Our repeat rate (proportion of loans by value to merchants who have taken a loan before) remains at a healthy level of approximately 45%.

Penetration<sup>1</sup> for Merchant Loans is 6.2% of device merchants.

### Value of Loans: Merchant Loans

(in ₹ Cr) (Qtr ending)



### # of Loans (Lakh)

0.6	0.8	1.2	1.4	1.4
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Note - The MDR from merchants on Paytm Postpaid and the revenues from our credit card partnerships is not recorded in Revenue from Financial Services and Others. MDR is recorded in Payment Services, whereas revenue from our credit card partnerships is recorded in Cloud revenues.

<sup>1</sup>Calculation of penetration for Postpaid: Avg monthly number of loans in a quarter as a % of that quarter's avg MTU; Calculation of penetration Personal Loans: Number of loans distributed in last 12 months as a % of avg MTU in Q1 FY 2024; Merchant loans: Number of loans distributed in last 12 months as % of devices deployed at end of Q1 FY 2024

## Commerce & Cloud: Monetizing Paytm app traffic by providing marketing services to other businesses

In our Commerce and Cloud segment, we monetize Paytm app traffic by providing marketing services to our merchants. In Q1 FY 2024, Commerce & Cloud revenue grew by 22% YoY to ₹405 Cr.

### Commerce

Our commerce business include travel, movie, entertainment ticketing, deals and gift vouchers.

Q1 FY 2024 Commerce GMV grew 10% YoY to ₹2,537 Cr while revenue grew by 12% YoY to ₹156 Cr. Growth was subdued due to decline in movie industry and decline in Play Store vouchers industry.

On QoQ basis, volume of events in the entertainment business, which have high take rates and high direct costs, has reduced due to seasonality. Consequently, take rates have come down to the guided 5-6% range.

### Cloud

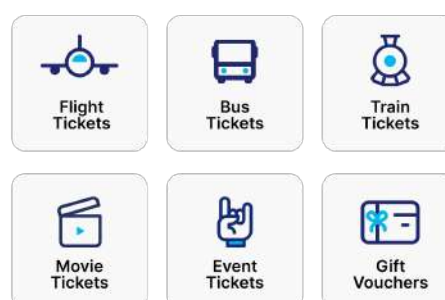
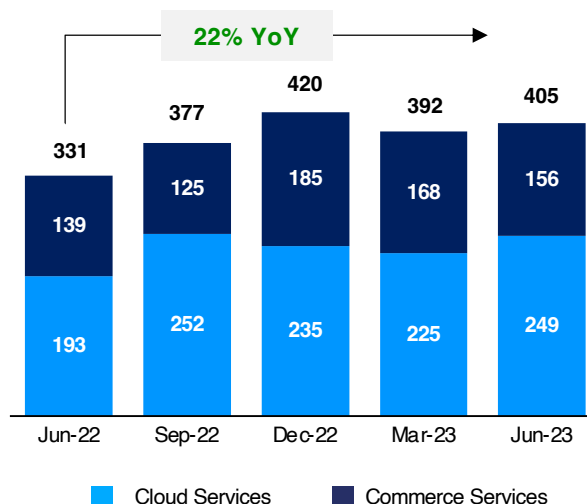
Cloud business includes advertising, co-branded credit cards, marketing cloud, and loyalty business. As of June 2023, we have 7.5 Lakh activated credit cards, an increase of 1.6 Lakh cards in the quarter.

Cloud business grew by 29% YoY to ₹249 Cr, due to growth in credit card distribution and advertising business, whereas marketing cloud is a mature business. We see cross-sell opportunities for credit cards from our existing Postpaid user base.

### Revenue: Commerce and Cloud Services

(in ₹ Cr)

(Qtr ending)



## Contribution Profit led by growth in net payments margin & loan distribution business

Our Q1 FY 2024 contribution profit of ₹1,304 Cr represents a growth of 80% YoY. Contribution margin improved to 56% from 43% a year ago.

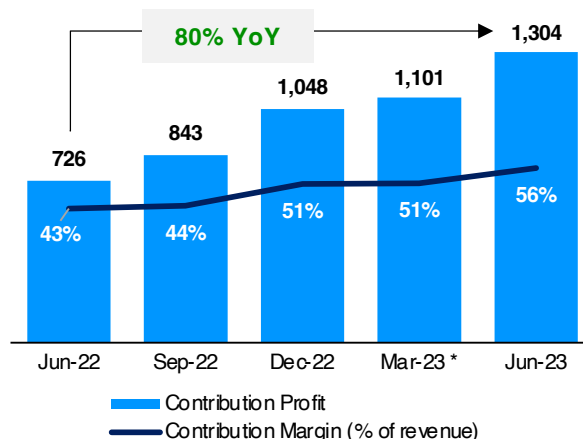
**Payment processing charges** were ₹767 Cr in Q1 FY 2024 (up 10% YoY). (Please refer to the discussion on net payment margin on page 6).

**Promotional cashbacks and incentives** were ₹85 Cr, or 2.1bps of GMV for Q1 FY 2024.

**Other direct expenses** were ₹186 Cr, 59% higher YoY on account of higher collection costs due to the growth of lending business and higher direct costs relating to merchant subscription business.

### Contribution Profit \*

(in ₹ Cr) (Qtr ending)



\* For like-for-like comparisons, Mar-23 contribution profit and contribution margin in the above chart excludes ₹182 Cr UPI incentives received in that quarter

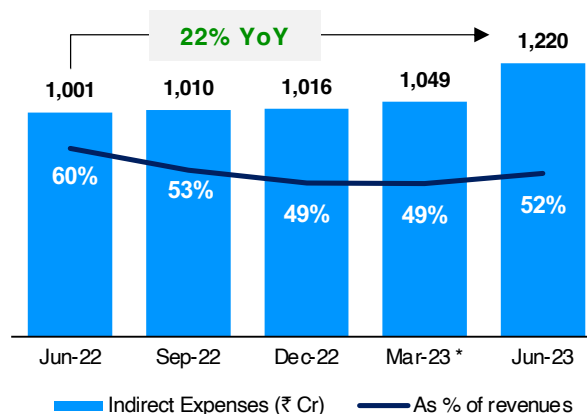
## Indirect expenses increase on expected lines due to annual appraisals, expansion of sales and technology team and IPL related marketing expenses

For Q1 FY 2024, Indirect Expenses (excluding ESOP cost) has increased 22% YoY to ₹1,220 Cr. Indirect expenses (as a % of revenues), has declined to 52%, from 60% in Q1 FY 2023. As mentioned earlier in Q4 FY 2023 earnings release, indirect expenses has expectedly increased on account of:

- higher employee costs due to annual appraisals,
- expansion of sales and technology teams,
- higher investment in marketing during IPL.

### Indirect Expenses \*

(in ₹ Cr) (Qtr ending)



\* For like-for-like comparisons, Mar-23 revenue in the above chart (for calculating % of revenue) excludes ₹182 Cr UPI incentives received in that quarter

## Continuous improvement in EBITDA before ESOP

We continue to see consistent improvement in profitability due to strong revenue growth, increasing contribution margin and operating leverage. In Q1 FY 2024, our EBITDA before ESOP was ₹84 Cr as compared to (₹275 Cr) in Q1 FY 2023.

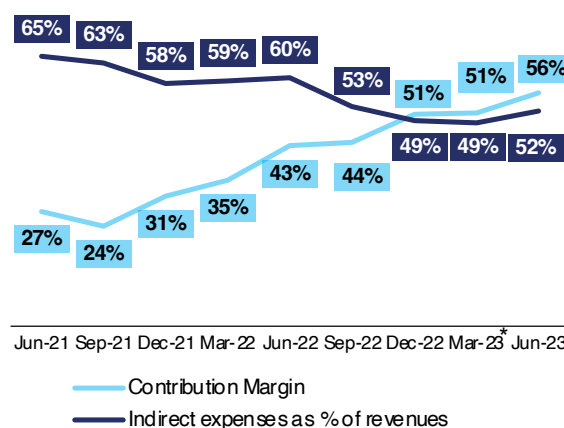
We have managed to increase EBITDA while we continue to invest for growth. Our indirect cost increased expectedly due to marketing costs related to IPL, impact of appraisals, and expansion of sales and technology teams. In the coming quarters, we expect our continued topline growth and operating leverage to drive increase in profitability despite investments.

Q4 FY 2023 reported EBITDA before ESOP of ₹234 Cr included ₹182 Cr UPI incentive for FY 2023. On like-for-like basis, i.e. excluding ₹182 Cr UPI incentive in Q4 FY 2023, our EBITDA before ESOP increased to ₹84 Cr as compared to ₹52 Cr in Q4 FY 2023.

EBITDA before ESOP margin for Q1 FY 2024 stands at 4%. This does not include any UPI incentives, since we record UPI incentives after government issues the gazette notification, which is typically in H2 of the financial year.

Net Income for Q1 FY 2024 was (₹358 Cr), an improvement of ₹287 Cr YoY.

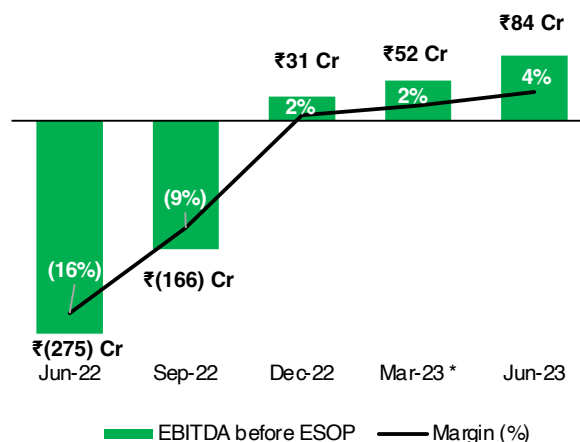
### Higher Contribution Margin + Operating Leverage = Improved Profitability



Jun-21 Sep-21 Dec-21 Mar-22 Jun-22 Sep-22 Dec-22 Mar-23\* Jun-23

\* For like-for-like comparisons, Mar-23 revenue (for calculating % of revenue) and contribution margin in the above chart excludes ₹182 Cr UPI incentives received in that quarter

### Continuous improvement in EBITDA before ESOP \*



\* For like-for-like comparisons, Mar-23 EBITDA before ESOP and revenue (for calculating % of revenue) in the above chart excludes ₹182 Cr UPI incentives received in that quarter

## Cash Balance

We are well funded considering net cash balance and improving profitability. Due to positive EBITDA before ESOP, improvement in working capital, and interest income, our cash balance has increased to ₹8,367 Cr as of quarter ending June 2023, as compared to ₹8,275 Cr as of quarter ending March 2023.

## Update on Reserve Bank of India direction to Paytm Payments Services Limited (PPSL)

During the quarter, PPSL continued to pursue the requisite approval from Government of India ('GoI') for past investment from One97 Communications Ltd. (OCL) into PPSL as per FDI Guidelines. As per RBI's letter dated Mar'23, PPSL can continue Online Payment Aggregation business, while it awaits approval from Government of India ('GoI').

This continues to have no material impact on our business and revenues, since the communication from RBI is applicable only to onboarding of new online merchants and we can continue to provide payment services to our existing online merchants.

## Update on Reserve Bank of India direction to our associate company Paytm Payments Bank Limited (PPBL)

Our associate company, PPBL implemented the various recommendations of RBI as part of the IT review undertaken earlier during FY2023. During the quarter, PPBL submitted the status of compliance to RBI and the same is currently being reviewed by RBI.

## Summary of Consolidated Financial Performance

Particulars (in ₹ Cr)	Quarter Ended				
	Jun-23 (Unaudited)	Jun-22 (Unaudited)	Y-o-Y	Mar-23 (Audited)	Q-o-Q
Payments & Financial Services	1,918	1,346	42%	1,918	0%
Payment Services to Consumers	554	519	7%	524	6%
Payment Services to Merchants	842	557	51%	918	(8%)
Financial Services and Others	522	271	93%	475	10%
Commerce & Cloud Services	405	331	22%	392	3%
Commerce	156	139	12%	168	(7)%
Cloud	249	193	29%	225	11%
Other Operating Revenue	19	2	842%	25	(23)%
<b>Revenue from Operations</b>	<b>2,342</b>	<b>1,680</b>	<b>39%</b>	<b>2,334</b>	<b>0%</b>
Payment processing charges	767	694	10%	780	(2%)
As % of GMV	0.19%	0.23%	(5 bps)	0.22%	(3 bps)
Promotional cashback & incentives	85	143	(41)%	78	9%
Other Expenses	186	117	59%	193	(4%)
<b>Total Direct Expenses</b>	<b>1,037</b>	<b>954</b>	<b>9%</b>	<b>1,051</b>	<b>(1%)</b>
<b>Contribution Profit</b>	<b>1,304</b>	<b>726</b>	<b>80%</b>	<b>1,283</b>	<b>2%</b>
Contribution Margin %	56%	43%	1,248 bps	55%	72 bps
<b>Indirect Expenses</b>	<b>1,220</b>	<b>1,001</b>	<b>22%</b>	<b>1,049</b>	<b>16%</b>
Marketing	181	175	3%	127	43%
Employee cost (Excl ESOPs)	730	552	32%	614	19%
Software, cloud and data center	155	162	(4%)	188	(18)%
Other indirect expenses	155	111	40%	121	28%
<b>EBITDA before ESOP expense</b>	<b>84</b>	<b>(275)</b>	<b>(131)%</b>	<b>234</b>	<b>(64%)</b>
Margin %	4%	(16)%	1,995 bps	10%	(644 bps)



## Summary of Key Operational Metrics

Operational KPIs	Units	Quarter Ended			
		Jun-23	Jun-22	YoY	Mar-23
GMV	₹ Lakh Cr	4.05	2.96	37%	3.62
Merchant Transactions	Cr	796	512	55%	685
Total Transactions	Cr	963	613	57%	835
MTU (average over the period)	Cr	9.2	7.5	23%	9.0
Registered Merchants (end of period)	Cr	3.56	2.83	25%	3.35
Loans	Cr	1.28	0.85	51%	1.19
Value of Loans	₹ Cr	14,845	5,554	167%	12,554
Payment Devices (cumulative; end of period)	Lakh	79	38	109%	68
Average number of Sales Employees*	#	30,148	19,781	52%	28,479
Cost of sales employees (including training)	₹ Cr	213	161	32%	186

\* Note: Starting Q4 FY 2023, we started reporting our active Sales headcount. We have restated numbers for prior quarters for like-for-like comparison

## Indicative Performance Metrics for Loan Distribution (Jun 2023 quarter)

	Postpaid	Personal Loans	Merchant Loans
<b>Bounce Rates</b> Healthy bounce rates continued to be exhibited in Q4 for our lending partners	9.75% to 11.25%	10.75% to 11.75%	NA
<b>Bucket 1 Resolution %</b> Capacity building with scale; Postpaid, Personal loans and Merchant loan resolution hold steady with rapidly expanding book size	82% to 84%	88% to 92%	78% to 83%
<b>Recovery Rate Post 90+</b> Postpaid, Personal loans and Merchant loans continue to exhibit robust recovery rates	30% to 35%	27% to 29%	30% to 35%
<b>ECL%</b> Steady loss rates on static pool in line with Low and Grow model of scaling	0.65% to 0.85%	4.5% to 5.0%	5.0% to 5.5%

Loans are underwritten and booked by our lending partners in their balance sheet. Paytm acts as a collection outsourcing partner and the numbers are hence indicative of those efforts

## Shares Outstanding as of June 2023

As of Jun 2023	In Cr
<b>Basic shares outstanding</b>	<b>63.4</b>
ESOPs vested and unexercised	0.1
ESOPs granted and unvested	4.0
ESOPs available for distribution	0.4
<b>Estimated fully diluted shares</b>	<b>67.9</b>

## Reconciliation of EBITDA before ESOP with Loss for the period

Particulars (in ₹ Cr)	Quarter Ended				
	Jun-23 (Unaudited)	Jun-22 (Unaudited)	Y-o-Y	Mar-23 (Audited)	Q-o-Q
<b>EBITDA before share based payment expenses (A)</b>	<b>84</b>	<b>(275)</b>	<b>(131%)</b>	<b>234</b>	<b>(64%)</b>
Share based payment expenses (B)	(377)	(359)	5%	(363)	4%
Initial Public Offer expenses (C)	-	-	nm	-	nm
Finance costs (D)	(7)	(6)	22%	(7)	(6%)
Depreciation and amortization expense (E)	(159)	(97)	64%	(160)	0%
Other income (F)	123	102	20%	130	(6%)
Share of profit / (loss) of associates / joint ventures (G)	(18)	(6)	197%	(2)	674%
Exceptional items (H)	-	-	nm	-	nm
Income Tax expense (I)	(4)	(5)	(8)%	(1)	(729)%
Loss for the period/year (J=sum of A to I)	(358)	(645)	(45)%	(168)	114%

## Breakup of available Cash and investable balance (Net Cash Balances)

Particulars (INR Cr)	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
Cash and Bank Balances in Current Accounts (Net of Borrowings)	1,768	1,399	1,953	2,737	1,678
Deposits with banks	6,991	5,875	5,311	4,328	3,996
Current Investments (Mutual Funds, Treasury bills and Commercial Papers)	652	1,908	1,692	1,209	2,693
<b>Total Balances</b>	<b>9,411</b>	<b>9,182</b>	<b>8,957</b>	<b>8,275</b>	<b>8,367</b>

## Definitions for Metrics & Key Performance Indicators

Metric	Definition
GMV	GMV is the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.
Monthly Transacting User (MTU)	Unique users with at least one successful transaction in a particular calendar month
Net Payments Margin	Payments revenues (including other operating revenue) less payments processing charges
Contribution Profit	Contribution profit is a non-GAAP financial measure. We define Contribution profit as revenue from operations less payment processing charges, promotional cashback & incentives expenses, connectivity & content fees, contest, ticketing & FASTag expenses & logistics, deployment & collection cost of our businesses



# Pioneer of India's mobile payments

Paytm is India's leading mobile payments and financial services distribution company. Pioneer of the mobile QR payments revolution in India, Paytm builds technologies that help small businesses with payments and commerce. Paytm's mission is to serve half a billion Indians and bring them to main stream of economy with help of technology.

## Q1 FY 2024 Earnings Call Information

Paytm will hold its earnings conference call for shareholders, investors and analysts on **Saturday, July 22, 2023 from 11:00 A.M. to 12:00 NOON (IST)**, to discuss the financial results of the Company for the quarter ended June 30, 2023.

Please see below the mandatory pre-registration link for attending the earnings call  
[https://paytm.zoom.us/webinar/register/WN\\_-HHjTohRIKrbqJx2WPYdQ](https://paytm.zoom.us/webinar/register/WN_-HHjTohRIKrbqJx2WPYdQ)

The presentation, conference call recording and the transcript will be made available on the Company website subsequently. This disclosure is also hosted on the Company's website viz. [ir.paytm.com](http://ir.paytm.com).

## Notes and Disclaimers for Earnings Release

By reading this release you agree to be bound as follows:

This earnings release is prepared by One 97 Communications Limited ("Company") and is for information purposes only without regards to specific objectives, financial situations or needs of any particular person and is not and nothing in it shall be construed as an invitation, offer, solicitation, recommendation or advertisement in respect of the purchase or sale of any securities of the Company or any affiliates in any jurisdiction or as an inducement to enter into investment activity and no part of it shall form the basis of or be relied upon in connection with any contract or commitment or investment decision whatsoever. This earnings release does not take into account, nor does it provide any tax, legal or investment advice or opinion regarding the specific investment objectives or financial situation of any person. Before acting on any information you should consider the appropriateness of the information having regard to these matters, and in particular, you should seek independent financial advice. This earnings release and its contents are confidential and proprietary to the Company and/or its affiliates and no part of it or its subject matter be used, reproduced, copied, distributed, shared, retransmitted, summarized or disseminated, directly or indirectly, to any other person or published in whole or in part for any purpose, in any manner whatsoever.

The information contained in this earnings release is a general background information of the Company and there is no representation that all information relating to the context has been taken care of in the earnings release. We do not assume responsibility to publicly amend, modify or revise any information contained in this earnings release on the basis of any subsequent development, information or events, or otherwise. This earnings release includes certain statements that are, or may be deemed to be, "forward-looking statements" and relate to the Company and its financial position, business strategy, events and courses of action.

Forward-looking statements and financial projections are based on the opinions and estimates of management as on the date such statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements and financial projections. Representative examples of factors that could affect the accuracy of forward looking statements include (without limitation) the condition of and changes in India's political and economic status, government policies, applicable laws, international and domestic events having a bearing on Company's business, and such other factors beyond our control.

Forward-looking statements and financial projections include, among other things, statements about: our expectations regarding our transaction volumes, expenses, sales and operations; our future merchant and consumer concentration; our anticipated cash needs, our estimates regarding our capital requirements, our need for additional financing; our ability to anticipate the future needs of our merchants and consumers; our plans for future products and enhancements of existing products; our future growth strategy and growth rate; our future intellectual property; and our anticipated trends and challenges in the markets in which we operate. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and no representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts in the earnings release, if any, are correct or that any objectives specified herein will be achieved.

We have converted financial amounts from ₹ millions into ₹ Cr and hence there could be some totaling anomalies in the numbers

## Notes and Disclaimers for Earnings Release

We, or any of our affiliates, shareholders, directors, employees, or advisors, as such, make no representations or warranties, express or implied, as to, and do not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein and accept no liability whatsoever for any loss, howsoever, arising from any use or reliance on this earnings release or its contents or otherwise arising in connection therewith. The information contained herein is subject to change without any obligation to notify any person of such revisions or change and past performance is not indicative of future results.

This document has not been and will not be reviewed or approved by a regulatory authority in India or by any stock exchange in India. No rights or obligations of any nature are created or shall be deemed to be created by the contents of this earnings release.

## Use of Operating Metrics

The operating metrics reported in this earnings release are calculated using internal Company data based on the activity of our merchants, consumers and other participants in our ecosystem. While these numbers are based on what we believe to be reasonable estimates of engagement, for the applicable period of measurement, there are inherent challenges in measuring usage across our large online, offline, in-store and mobile presence. The methodologies used to measure these metrics require significant judgment and are also susceptible to algorithm or other technical errors. We regularly review our processes for calculating these metrics, and from time to time we may discover inaccuracies in our metrics or may make adjustments to improve their accuracy, which can result in adjustments to previously disclosed metrics. In addition, our metrics will differ from estimates published by third parties due to differences in methodology.

## Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled Non-GAAP measures used by other companies. The principal limitation of these Non-GAAP financial measures is that they exclude significant expenses and income that are required by IndAS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation is provided below for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.