

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 June 30, 2022 which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 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 compiled from the related Unaudited Special Purpose Interim Condensed Consolidated Financial Statements of the Group, its joint ventures and associates for the quarter ended June 30, 2022, Special Purpose Interim Consolidated Financial Statements for the period ended June 30, 2021 and Consolidated Financial Statements for the year ended March 31, 2022. These have 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 7 below, other than the unreviewed financial statements/ financial information as certified by the management and referred to in paragraph 8 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 5 to the Statement relating to non-realisation of foreign currency receivables as at June 30, 2022 aggregating to INR 284 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, 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 the year. 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 and other documents with the RBI seeking dispensation from registration as NBFC.
- c) Note 7 (b) to the Statement, relating to one of the Joint venture companies which describes:
- i. Non-settlement of foreign currency payables as at June 30, 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) Bank on April 27, 2022 seeking extension of time limit for remittance of the same.
- ii. Non-realisation of foreign currency receivables as at June 30, 2022 amounting to INR 0.43 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 Bank on April 8, 2022 seeking extension of time limit for realization of the same.

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



7. 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 1,080 million, total net loss after tax of INR 111 million and total comprehensive loss of INR 934 million, for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net loss after tax of INR 22 million and total comprehensive loss of INR 23 million for the quarter ended June 30, 2022, 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.

8. The Unaudited Consolidated Financial Results includes the interim financial statements/ financial information of 9 subsidiaries which have not been reviewed by their auditors, whose interim financial statements/ financial information reflect total revenue of INR 112 million, total net profit after tax of INR 3 million and total comprehensive Income of INR 3 million for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results. The Unaudited Consolidated Financial Results also includes the Group's share of net loss after tax of INR 3 million and total comprehensive loss of INR 3 million for the quarter ended June 30, 2022, as considered in the Unaudited Consolidated Financial Results, in respect of 5 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, these interim financial statements/ financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of this matter.

9. The Consolidated 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 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22 which were subject to limited review by us.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 22058507AOJNZY2851

Place: Gurugram
Date: August 5, 2022

Annexure A

List of entities

Sl. No.	Name of the Company
A.	Subsidiaries (Direct)
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 (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.	Subsidiaries (Indirect)
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)

C.	Associates (Direct)
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	Socomo Technologies Private Limited



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

E.	Joint Ventures of Paytm Entertainment limited (Indirect)
1	Paytm First Games Private Limited (formerly known as Gamepind Entertainment 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)



Statement of Unaudited Consolidated Financial Results for the quarter ended June 30, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer note 2		
Income				
Revenue from operations	16,796	15,409	8,908	49,742
Other income	1,020	1,075	572	2,901
Total income	17,816	16,484	9,480	52,643
Expenses				
Payment processing charges	6,938	7,742	5,265	27,538
Marketing and promotional expenses	3,181	2,489	1,377	8,554
Employee benefits expense#	9,117	8,634	3,507	24,319
Software, cloud and data centre expenses	1,622	1,511	1,058	4,999
Depreciation and amortization expense	972	951	409	2,473
Finance costs	55	70	97	394
Other expenses	2,277	2,323	1,410	7,734
Total expenses	24,162	23,720	13,123	76,011
Loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax	(6,346)	(7,236)	(3,643)	(23,368)
Share of profit/ (loss) of associates / joint ventures	(60)	(383)	(121)	(459)
Loss before exceptional items and tax	(6,406)	(7,619)	(3,764)	(23,827)
Exceptional items##	-	-	(24)	(24)
Loss before tax	(6,406)	(7,619)	(3,788)	(23,851)
Income Tax expense				
Current tax	48	38	43	151
Deferred tax expense/(credit)	*	(32)	(12)	(38)
Total Tax expense	48	6	31	113
Loss for the period / year	(6,454)	(7,625)	(3,819)	(23,964)
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period / year				
Re-measurement gains/ (losses) on defined benefit plans	(38)	(5)	7	(21)
Changes in fair value of equity instruments at FVTOCI (Refer note 8)	(822)	9,376	-	9,376
Items that may be reclassified to profit or loss in subsequent period / year				
Exchange differences on translation of foreign operations	149	186	46	194
Total other comprehensive income/(loss) for the period / year	(711)	9,557	53	9,549
Total comprehensive income/ (loss) for the period / year	(7,165)	1,932	(3,766)	(14,415)
Loss for the period / year				
Attributable to:				
Owners of the parent	(6,444)	(7,614)	(3,802)	(23,929)
Non-controlling interests	(10)	(11)	(17)	(35)
Other comprehensive income for the period / year				
Attributable to:				
Owners of the parent	(711)	9,557	53	9,549
Non-controlling interests	*	*	*	*
Total comprehensive income/(loss) for the period / year	(7,165)	1,932	(3,766)	(14,415)
Attributable to:				
Owners of the parent	(7,155)	1,943	(3,749)	(14,380)
Non-controlling interests	(10)	(11)	(17)	(35)
Paid up equity share capital	649	649	605	649
Face value of the share	1	1	1	1
Other Equity				140,867
Earnings per share (INR per share of INR 1 each) (not annualised for quarters)				
Basic	(10)	(12)	(6)	(38)
Diluted	(10)	(12)	(6)	(38)
Includes				
#Share based payment expenses	3,592	3,615	390	8,093
##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 are extracted from the Unaudited Special Purpose Interim Condensed Consolidated Financial Statements of the Company for the quarter ended June 30, 2022, Special Purpose Interim Consolidated Financial Statements for the period ended June 30, 2021 and Consolidated Financial Statements for the year ended March 31, 2022 which have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder. 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 August 4, 2022 and August 5, 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 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were subject to limited review.
3. 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.
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 current quarter 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. As of June 30, 2022, the Group has certain foreign currency receivable balances aggregating to INR 3 million, INR 44 million and INR 237 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 38 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 147 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.



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 June 30, 2022	Amount Un-utilised as on June 30, 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		28,581
	i) Marketing and promotional expenses		2,782	
	ii) Expanding our merchant base and deepening our partnership with our merchants		5,834	
	iii) Strengthening and expanding our technology powered payments platform		5,803	
	Total (A)	43,000	14,419	28,581
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	-		
	Total (B)	20,000	-	20,000
3	General corporate purposes	18,134	3,219	14,915
	Total (C)	18,134	3,219	14,915
	Total (A+B+C)	81,134	17,638	63,496

Net IPO proceeds which were un-utilised as at June 30, 2022 were temporarily invested in fixed 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 joint venture in their respective Unaudited Special Purpose Interim Condensed Financial Statements -

a) 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.”

b) Paytm First Games Private Limited:

“As of June 30, 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 June 30, 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.”

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: Mumbai
Date: August 5, 2022



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 June 30, 2022 which are included in the accompanying Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 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 compiled from the related Unaudited Special Purpose Interim Condensed Standalone Financial Statements of the Company for the quarter ended June 30, 2022, Special purpose interim standalone financial statements for the period ended June 30, 2021 and Standalone Financial Statements for the year ended March 31, 2022. These have 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.
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.
5. We draw your attention Note 6 to the Statement relating to non-realisation of foreign currency receivable balances as at June 30, 2022 aggregating to INR 278 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 above matter.



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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/500016 (ICAI registration number before conversion was 012754N)

6. 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 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22 which were subject to limited review by us.

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



Amitesh Dutta
Partner

Membership Number: 058507
UDIN: 22058507AOJMRI5671

Place: Gurugram.
Date: August 5, 2022

One 97 Communications Limited
CIN: L72200DL2000PLC108985

Registered Office: First Floor, Devika Tower, Nehru Place, New Delhi 110019, India; Tel: +91 11 2628 0280; Website: www.paytm.com
Corporate Office: Paytm Corporate Office, One Skymark, Tower-D, Plot No. H-10B, Sector-98, Noida 201304, Uttar Pradesh, India, Tel: +91 120 4770770;
E-mail: compliance.officer@paytm.com; Fax: +91 120 4770771

Statement of Unaudited Standalone Financial Results for the quarter ended June 30, 2022

(Amounts in INR Million, unless otherwise stated)

Particulars	Quarter Ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Audited)	(Audited)	(Audited)
		Refer note 2		
Income				
Revenue from operations	12,454	10,731	8,468	38,924
Other income	1,013	1,081	525	2,830
Total income	13,467	11,812	8,993	41,754
Expenses				
Payment processing charges	3,993	4,241	5,254	19,855
Marketing and promotional expenses	2,876	2,148	1,339	7,907
Employee benefits expense#	7,636	6,824	2,648	19,072
Software, cloud and data centre expenses	1,522	1,329	997	4,516
Depreciation and amortization expense	926	900	366	2,282
Finance costs	52	73	92	381
Other expenses	2,742	3,188	1,882	10,548
Total expenses	19,747	18,703	12,578	64,561
Loss before exceptional items and tax	(6,280)	(6,891)	(3,585)	(22,807)
Exceptional items##	-	-	(362)	(441)
Loss before tax	(6,280)	(6,891)	(3,947)	(23,248)
Income Tax expense				
Current tax	-	-	3	3
Total Tax expense	-	-	3	3
Loss for the period / year	(6,280)	(6,891)	(3,950)	(23,251)
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent period / year				
Re-measurement gains/ (losses) on defined benefit plans	(34)	(7)	8	(18)
Total other comprehensive income/(loss) for the period / year	(34)	(7)	8	(18)
Total comprehensive income/ (loss) for the period / year	(6,314)	(6,898)	(3,942)	(23,269)
Paid up equity share capital	649	649	605	649
Face value of the share	1	1	1	1
Other Equity				136,476
Earnings per share (INR per share of INR 1 each) (not annualised for quarters)				
Basic	(10)	(11)	(7)	(37)
Diluted	(10)	(11)	(7)	(37)
Includes:				
#Share based payment expenses	3,354	3,384	309	7,498
##Impairment of investment in associates and subsidiaries	-	-	(362)	(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 are extracted from the Unaudited Special Purpose Interim Condensed Standalone Financial Statements of the Company for the quarter ended June 30, 2022, Special Purpose Interim Standalone Financial Statements for the period ended June 30, 2021 and Standalone Financial Statements for the year ended March 31, 2022 which have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act, 2013, as amended, read with relevant rules thereunder. 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 August 4, 2022 and August 5, 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 2021-22 and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were subject to limited review.
3. 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.
4. 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 quarter ended June 30, 2021 are not comparable with the results of current quarter.
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 current quarter 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. As of June 30, 2022, the Company has certain foreign currency receivable balances aggregating to INR 2 million, INR 43 million and INR 233 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 36 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 147 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.

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.



One 97 Communications Limited
Notes to the Unaudited Standalone 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	Amount Utilised up to June 30, 2022	Amount Un-utilised as on June 30, 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		28,581
	i) Marketing and promotional expenses		2,782	
	ii) Expanding our merchant base and deepening our partnership with our merchants		5,834	
	iii) Strengthening and expanding our technology powered payments platform		5,803	
	Total (A)	43,000	14,419	28,581
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	-		
	Total (B)	20,000	-	20,000
3	General corporate purposes	18,134	3,219	14,915
	Total (C)	18,134	3,219	14,915
	Total (A+B+C)	81,134	17,638	63,496

Net IPO proceeds which were un-utilised as at June 30, 2022 were temporarily invested in fixed deposits with scheduled commercial banks and in monitoring agency account.

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: Mumbai
Date: August 5, 2022

