PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Consolidated Balance sheet
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
	ASSETS				
I	Non-current assets				
	(a) Property, Plant and Equipment	3	5.73	6.13	9.57
	(b) Intangible assets	3	29.22	43.83	58.51
	(c) Right of use assets	4	12.79	17.44	22.09
	(d) Financial assets				
	(i) Other financial assets	5	6.40	6.99	6.31
	Total Non - current assets		54.14	74.39	96.48
II	Current assets				
	(a) Financial assets				
	(i) Trade receivables	6	57.40	8.05	13.33
	(ii) Cash and cash equivalents	7	38.48	30.15	106.76
	(iii) Bank balances other than (ii) above	8	7.34	10.31	64.42
	(iv) Other financial assets	9	307.29	29.00	55.71
	(b) Other current assets	10	161.12	86.35	77.04
	Total Current assets		571.63	163.86	317.26
	Total assets (I+II)		625.77	238.25	413.74
	EQUITY AND LIABILITIES				
I	Equity				
	(a) Equity share capital	11 (a)	57.41	0.35	0.34
	(b) Instruments in the nature of equity	11 (b)	1,839.08	1,413.81	1,390.70
	(c) Other equity	12	(1,432.85)	(1,242.11)	(1,042.08)
	Total equity		463.64	172.05	348.96
	LIABILITIES				
II	Non-current liabilities				
	(a) Financial liabilities				
	(i) Lease liabilities	4	10.28	15.33	19.17
	(b) Provisions	13	12.89	9.40	7.95
	Total Non - Current liabilities		23.17	24.73	27.12
III	Current liabilities				
	(a) Financial liabilities				
	(ii) Lease liabilities	4	5.05	3.84	2.90
	(iii) Trade payables	14			
	Total outstanding dues of micro and small enterprises		0.08	-	-
	Total outstanding dues of creditors other than micro and small enterprises		26.16	4.86	5.96
	(b) Provisions	15	53.60	16.19	15.92
	(c) Other current liabilities	16	54.07	16.58	12.88
	Total Current liabilities		138.96	41.47	37.66
	Total Equity and Liabilities (I+II+III)		625.77	238.25	413.74

Note: The above statement should be read with accompanying notes forming part of the Consolidated financial statements.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner

Membership No: 205226

Place: Hyderabad
Date : August 22, 2022

For and on behalf of the Board of Directors
PayMate India Limited

Ajay Adiseshan
Chairman and Managing Director
DIN: 00099023

Vishvanathan Subramanian
Whole Time Director and CFO

DIN: 02153545

Nanda Harish
General Counsel, Company Secretary and Compliance Officer (ACS: 15495)

Place: Mumbai
Date : August 22, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Consolidated Statement of Profit and Loss
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	17	12,088.90	3,484.00
II Other Income	18	3.31	6.23
III Total Revenue (I + II)		12,092.21	3,490.23
IV EXPENSES			
Cost of services	19	12,074.79	3,485.08
Employee benefit expense	20	496.78	224.13
Finance costs	21	2.83	2.25
Depreciation and amortisation expense	3	22.67	22.90
Other expenses	22	72.51	36.99
Total Expenses (V)		12,669.58	3,771.35
V Profit /(Loss) before exceptional items and tax		(577.37)	(281.12)
Exceptional items		-	-
Profit /(Loss) before tax			
VI Tax Expense	29		
Current tax		-	-
Deferred tax		-	-
Total income tax expense		-	-
VII Profit/(Loss) for the year (V + VI)		(577.37)	(281.12)
VIII Profit/(Loss) for the year		(577.37)	(281.12)
IX Other comprehensive income/(loss)		(0.69)	0.52
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		(0.69)	0.72
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
(ii) Items that may be reclassified to profit or loss			
(a) Exchange differences on translation of financial statements of foreign operations		-	(0.20)
X Total comprehensive income/(Loss) for the year (IX + X)		(578.06)	(280.60)
XI Earnings/(loss) per equity share (Face value of Rs.1/- each):	28		
Basic		(10.65)	(5.41)
Diluted		(10.65)	(5.41)

Note: The above statement should be read with accompanying notes forming part of the Consolidated financial statements.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date : August 22, 2022

For and on behalf of the Board of Directors
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Whole Time Director and CFO
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Nanda Harish
General Counsel, Company Secretary
and Compliance Officer (ACS: 15495)

Place: Mumbai
Date : August 22, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Consolidated Statement of Changes in Equity
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

(a) Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021		As at 1 April 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(1) Equity share capital						
(i) Equity Shares of ₹ 1/- each with voting rights (₹ 10/- each for FY 20-21)						
Opening balance	34,756	0.35	33,977	0.34	33,976	0.34
Add: Issue of shares	12,85,913	1.31	779	0.01	1	-
Add: Sub division of shares	3,34,521	-	-	-	-	-
Add: Issue of bonus shares	5,57,53,500	55.75	-	-	-	-
Closing balance	5,74,08,690	57.41	34,756	0.35	33,977	0.34
(2) Preference share capital						
(i) Preference Shares (Refer note 11(b))						
Opening balance	31,178	1,413.81	30,821	1,390.70	27,255	826.52
Add: Issue of shares	407	425.27	357	23.11	3,566	564.18
Closing balance	31,585	1,839.08	31,178	1,413.81	31,178	1,390.70

PAYMATE INDIA LIMITED MUMBAI

MSKA & ASSOCIATES Chartered Accountants Hyderabad

PayMate India Limited (formerly known as PayMate Idia Private Limited)
(CIN: U72200MH2006PLC205023)
Consolidated Statement of Changes in Equity
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

(b) Other equity

Particulars	Securities premium account	Retained earnings / (deficit)	Other comprehensive income	Foreign currency translation Reserve	Share options outstanding Account	Share Suspense Account	Share Warrant	Total other equity
Balance as at April 1, 2020	73.80	(1,229.02)	(2.21)	(0.11)	22.29	73.67	19.50	(1,042.08)
Profit/(loss) for the year	-	(281.12)	-	-	-	-	-	(281.12)
Other comprehensive income / (losses)	-	-	-	(0.20)	-	-	-	(0.20)
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	0.72	-	-	-	-	0.72
Addition to securities premium	50.55	-	-	-	-	-	-	50.55
Share based payment to employees	-	-	-	-	103.69	-	-	103.69
Shares to be issued to settle Purchase price	-	-	-	-	-	(73.67)	-	(73.67)
Balance at the March 31, 2021	124.35	(1,510.14)	(1.49)	(0.31)	125.98	-	19.50	(1,242.11)
Balance as at April 1, 2021	124.35	(1,510.14)	(1.49)	(0.31)	125.98	-	19.50	(1,242.11)
Profit/(loss) for the year	-	(577.37)	-	-	-	-	-	(577.37)
Other comprehensive income / (losses)	-	-	-	(0.38)	-	-	-	(0.38)
Remeasurements of the defined benefit liabilities / (asset) net of tax	-	-	(0.69)	-	-	-	-	(0.69)
Addition to securities premium	220.39	-	-	-	-	-	-	220.39
Issue of equity shares on exercise of options	7.25	-	-	-	(8.52)	-	(19.50)	(20.78)
Issue of Bonus Shares	(55.75)	-	-	-	-	-	-	(55.75)
Expenses on initial public offer	-	-	-	-	-	-	-	-
Share based payment to employees	-	-	-	-	243.84	-	-	243.84
Balance at the March 31, 2022	296.23	(2,087.51)	(2.18)	(0.69)	361.30	-	-	(1,432.85)

Note: The above statement should be read with accompanying notes forming part of the Consolidated financial statements.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date : August 22, 2022

For and on behalf of the Board of Directors
PayMate India Limited

Ajay Adiseshan
Chairman and Managing Director
DIN: 00099023

Nanda Harish
General Counsel, Company Secretary and Compliance Officer (ACS: 15495)

Place: Mumbai
Date : August 22, 2022

Vishvanathan Subramanian
Whole Time Director and CFO
DIN: 02153545

PAYMATE INDIA LIMITED MUMBAI

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Consolidated Cash Flow Statement
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the year	(577.37)	(281.12)
Adjustments for:		
Depreciation and amortisation expenses	22.67	22.90
Finance costs	2.83	2.20
Interest income	(3.32)	(4.38)
Provision for Gratuity	3.21	3.39
Allowance for doubtful trade receivables and bad debts written off	7.69	-
Share Based payments to employees*	243.84	103.69
Liabilities no longer required written back	(0.09)	(1.85)
Net unrealised exchange (gain) / loss	-	0.17
Operating loss before working capital changes	(300.54)	(155.00)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(49.35)	5.11
Other financial assets	(275.32)	27.01
Other non-financial assets	(21.97)	(9.63)
Adjustments for increase / (decrease) in operating liabilities:	-	-
Provisions	36.23	(0.19)
Trade payables	21.30	(0.26)
Other non- financial liabilities	24.03	3.77
Cash used in operations	(565.62)	(129.19)
Net income tax (paid) / refunded	(52.80)	0.90
Net cash flow used in operating activities (A)	(618.42)	(128.29)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property plant and equipment, including capital advances	3.01	(0.13)
(Investments)/Proceeds from bank deposits	0.59	54.22
Interest received	2.36	2.70
Net cash flow from / (used in) investing activities (B)	5.96	56.79
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Lease Liabilities	(3.84)	(3.88)
Repayment of interest on lease liabilites	(1.86)	(1.22)
Issue of Share Capital	627.46	0.00
Finance costs paid	(0.97)	(0.01)
Net cash flow from / (used in) financing activities (C)	620.79	(5.11)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	8.33	(76.61)
Add: Cash and cash equivalents at the beginning of the year	30.15	106.76
Cash and cash equivalents at the end of the year	38.48	30.15
Cash and cash equivalents as per Balance Sheet (Refer note 7)	38.48	30.15

Corporate Information and Significant Accounting Policies - Notes 1 & 2

Note: The above Consolidated Statement of Cash flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date : August 22, 2022

For and on behalf of the Board of Directors
Paymate India Limited

Ajay Adiseshan
Chairman and Managing Director
DIN: 00099023

Vishvanathan Subramanian
Whole Time Director and CFO
DIN: 02153545

Nanda Harish
General Counsel, Company Secretary
and Compliance Officer (ACS: 15495)

Place: Mumbai
Date : August 22, 2022

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Summary of Significant Accounting Policies

1. **Corporate Information**

PayMate India Limited (formerly known as PayMate India Private Limited) (the Company/ Parent Company) together with its subsidiary, the principal activities of the Group consist of providing services in B2B payments for Enterprise and SME across supply chains. The PayMate platform provides a comprehensive digital workflow tied to payments which enable greater control and transparency along with better cash flows and an end to end reconciliation for a superior experience for Enterprise and SME in closed-loop supply chains.

The Company incorporated under the provisions of the Companies Act, 1956. The Company was incorporated on May 12, 2006 and is having its registered office at No.111, 1st Floor, 'A' Wing, Sundervilla S.V.Road, Santacruz (West) Mumbai Maharashtra 400054 India.

2. **Significant Accounting Policies**

Significant accounting policies adopted by the company are as under:

2.1 Basis of accounting and preparation of financial statements

(i) Statement of Compliance with Ind AS

These Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated financial statements up to year ended 31 March 2021 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian 'GAAP).

These Consolidated financial statements for the year ended 31 March 2022 are the first set of financial statements prepared in accordance with Ind AS with the transaition date of 1st April 2020. Refer reconciliation annexure for an explanation of how the Company has adopted Ind AS.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

PAYMATE INDIA LIMITED MUMBAI

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(ii) Functional and presentation currency

These Consolidated Financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in Indian rupees have been rounded-off to two decimal places to the nearest million except share data or as otherwise stated.

(iii) Basis of measurement

The Consolidated Financial statements have been prepared on the historical cost basis except for the following items:

- Certain financial assets and liabilities : Measured at fair value
- Net defined benefit (asset)/ liability : Fair value of plan assets less present value of defined benefit obligations
- Borrowings : Amortised cost using effective interest rate method
- Equity settled share based payments at grant date : Measured at fair value

(iv) Use of estimates and judgements

The preparation of the Consolidated financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgments and assumptions affect the application policies and reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, such effects are disclosed in the notes to financial statements.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 25 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2.2 (m) & 23 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2.2 (o) - impairment of financial assets;
- Note 2.2 (e) & (f) - determining an asset's expected useful life and the expected residual value at the end of its life.

(v) Measurement of fair values

Accounting polices and disclosures require measurement of fair value for both financial and non-financial assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 2.2 (n) & 32 - Financial instruments

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(vi) Principles of consolidation

a. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements;

(iii) The Group's voting rights and potential voting rights;

(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31 / period ended December 30.

b. Consolidation procedures:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

c. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

PAYMATE INDIA LIMITED MUMBAI

MSKA & ASSOCIATES Hyderabad Chartered Accountants

d. **Loss of control**

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:
(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.
(ii) Derecognises the carrying amount of any non-controlling interests.
(iii) Derecognises the cumulative translation differences recorded in equity.
(iv) Recognises the fair value of the consideration received.
(v) Recognises the fair value of any investment retained.
(vi) Recognises any surplus or deficit in profit or loss.
(vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e. **Subsidiaries considered in the Consolidated Financial Statements:**

S. No.	Name of the entity	Relationship	Country of incorporation	Ownership interest in %			
				March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019
1	PayMate Inc	Subsidiary	USA	100%	100%	100%	100%
2	PayMate Payments Service Provider LLC	Subsidiary	UAE	49%	49%	49%	49%

(vi) **Current and non-current classification:**

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is expected to be realised within twelve months from the reporting date;
- it is held primarily for the purposes of being traded; or
- is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current

Liabilities

A liability is classified as a current when:
- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is due to be settled within twelve months from the reporting date;
- it is held primarily for the purposes of being traded;
- Deferred tax assets/liabilities are classified as non-current.
- the Company does not have an unconditional right to defer settlement of liability for at least twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and realisation in cash or cash equivalents. The Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

a **Revenue recognition**

Sale of services

Revenue is measured based on the consideration specified in a contract with a customers net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amount collected on behalf of third parties. The Company recognises revenue when it transfers control over a product or service to the customer. Revenue is only recognised to the extent that is highly probable that a significant reversal will not occur.
Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criterial described below must also be met before revenue is recognised. Typically, the Company has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Service Fee from Merchants:

The Company earns service fee from merchants and recognises such revenue when the control in services have been transferred by the Company i.e. as and when services have been provided by the Company. Such service fee is generally determined as a percentage of transaction value executed by the merchants.

The Company derives its revenue primarily from the Transaction Fees and related services and licensing income. The Company recognises revenue on transaction fees immediately upon completion of successful transaction and the collectability is reasonably assured.

Recognition of dividend income, interest income

Interest income is recognised using the effective interest rate method.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits with banks other than deposits pledged with government authorities and margin money deposits.
Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an maturity of three months or less, which are subject to insignificant risk of changes in value. Bank borrowings are generally considered to be financing activities. However, for the purposes of the statement of cash flows, bank overdrafts which are repayable on demand form an integral part of an entity's cash management, accordingly, bank overdrafts are included as a component of cash and cash equivalents.

c **Cash flow statement**

MSKA & ASSOCIATES Hyderabad Chartered Accountants

PAYMATE INDIA LIMITED MUMBAI

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

d **Taxes on income**

Income-tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i) **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii) **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

iii) **Minimum Alternative Tax**

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 ("the IT Act") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') was promulgated on September 20, 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. The Company has opted to apply the provisions of section 115BAA from the Assessment year 2020-21 (year ended March 31, 2020) and accordingly, the Company has charged off the balance of MAT credit during the year ended March 31, 2020.

e **Property, Plant and Equipment**

i) **Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred. If an item of property, plant and equipment is purchased with deferred credit period from supplier, such asset is recorded at its cash price equivalent value.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

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ii) **Depreciation**

Depreciation is provided using the Straight-line Method over the useful lives of the assets as estimated by the Management. Depreciation on additions and deletions are restricted to the period of use. Depreciation is charged to statement of profit and loss.

The Company, based on technical assessment and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has estimated the following useful lives to provide depreciation on its property, plant and equipment:

Summary of the nature of Asset and estimated Useful life of the assets are as follows:

Computer & Software	- 3-5 Years
Office Equipment	- 5 Years
Furniture & Fittings	- 10 Years
Leasehold Improvements	- Over primary lease period

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

f **Intangible assets**

Intangible assets purchased including acquired in business combination, are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.
Intangible assets consist of Patents and other rights under licensing agreement.
Intangible assets are amortised on a straight-line basis over the period of its economic useful life.

Summary of the nature of intangibles and their estimated useful lives as follows:

Patents	- 5 Years
Application	- 5 Years

g **Business combination and Goodwill**

i) **Business combination**

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the date of exchange by the Company. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expensed as incurred.

The cost of an acquisition also includes the fair value of any contingent consideration measured as at the date of acquisition. Any subsequent changes to the fair value of contingent consideration classified as liabilities, other than measurement period adjustments, are recognized in the statement of profit and loss.

ii) **Goodwill**

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets and liabilities is recognized as goodwill. If the excess is negative, a bargain purchase gain is recognized in equity as capital reserve. Goodwill is measured at cost less accumulated impairment (if any).

Goodwill associated with the disposal of an operation that is part of cash-generating unit is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained, unless the entity can demonstrate that some other method better reflects the goodwill associated with the operation disposed off.

h **Employee benefits**

i) **Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme and other funds. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

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iii) **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by a qualified actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

iv) **Share based payments**

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made. The grant date fair value of options granted to employees is recognised as employee expense with a corresponding increase in employee stock options reserve, over the period in which the eligibility conditions are fulfilled and the employees unconditionally become entitled to awards. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits experom the Assessment year 2020-21 (year ended March 31, 2020) and accordingly, the Company has charged off the balance of MAT credit during t

i **Foreign currency transactions and translations**

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Consolidated statement of profit and loss.

Foreign operations

The assets and liabilities of foreign operations, are translated into Indian rupees (INR), the functional currency of the Company at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to Indian rupees (INR) at exchange rates at the date of transactions or an average rate if the average rate approximates the actual rate at the date of transaction.
Foreign currency translation differences are recognised in other comprehensive income and accumulated in equity and attributed to non-controlling interests as applicable.

j **Leases**

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course.

Company as a Lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Transition to Ind AS 116

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The Company used the following practical expedients when applying Ind AS 116 :

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term and leases of low value.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Right of use asset: The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are non-cancellable period of a lease.ar ended March 31, 2020) and accordingly, the Company has charged off the balance of MAT credit during the year ended March 31, 2020.ctual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Co

Lease Liability: The Company measures the lease liability at present value of the future lease payments at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate as at the commencement of lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further non-cancellable period of a lease.ar ended March 31, 2020) and accordingly, the Company has charged off the balance of MAT credit during the year ended

k Borrowings and Borrowing cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

l Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

m Provision, contingent liabilities and contingent assets

i) Provision:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs. Expected future operating losses are not provided for.Provision in respect of loss contingencies relating to claims, litigations, assessments, fines and penalties are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

ii) Contingent liabilities and contingent assets:

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

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Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

n **Financial Instruments**

A financial instrument is any contract that gives rise to a Financial Asset of one entity and Financial liability or equity instrument of another entity.

i) **Initial Recognition and measurement**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) **Classification and subsequent measurement**

Financial assets

All financial assets except Trade receivables are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Subsequent measurement: For the purpose of subsequent measurement, financial assets are categorised as under:

- Amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss.

iii) **Derecognition**

Financial assets

A Financial asset is primarily derecognised when the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv) **Offsetting**
Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently and legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

o **Impairment of assets**
i) **Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and trade receivables. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

Measurement of expected credit losses
The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Write-off

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The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) **Impairment of non-financial assets**

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest Company of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

p **Convertible preference shares**

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability portion of an optionally convertible preference shares is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument since it meets Ind AS 32, Financial Instruments: Presentation, criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not subsequently re-measured.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

q **Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

r **Recent accounting pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Consolidated Financial Information is required to be disclosed.

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Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) **Reconciliation of equity as at date of transition 1 April 2020**

	Indian GAAP*	Adjustments	Ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	9.57	-	9.57
Intangible assets	58.51	-	58.51
Right of use assets	-	22.09	22.09
Financial assets		-	
(i) Investments	-	-	-
(i) Other financial assets	19.36	(13.05)	6.31
Other non-current assets	34.24	(34.24)	-
Total non-current assets	121.68	(25.20)	96.48
Current assets			
Financial assets			
(i) Trade receivables	13.33	-	13.33
(ii) Cash and cash equivalents	97.22	9.54	106.76
(iii) Bank balances other than (ii) above	64.42	-	64.42
(iv) Other financial assets	55.71	(0.00)	55.71
Other current assets	42.19	34.85	77.04
Total current assets	272.87	44.39	317.26
Total assets	394.54	19.19	413.74
EQUITY AND LIABILITIES			
Equity			
Equity share capital	0.34	-	0.34
Instruments in the nature of equity	1,390.70	-	1,390.70
Other equity	(1,036.72)	(5.36)	(1,042.08)
Total equity	354.32	(5.36)	348.96
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	-	19.17	19.17
Provisions	7.91	0.04	7.95
Total non-current liabilities	7.91	19.21	27.12
Current liabilities			
Financial liabilities			
(i) Short-term borrowings	-	-	-
(ii) Lease liabilities	-	2.90	2.90
(iii) Trade payables			
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	18.43	(12.47)	5.96
Provisions	1.00	14.92	15.92
Other current liabilities	12.88	-	12.88
Total current liabilities	32.31	5.35	37.66
Total liabilities	40.22	24.56	64.78
Total equity and liabilities	394.54	19.20	413.74

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

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(b) Reconciliation of equity as at 31 March 2021

	Indian GAAP*	Adjustments	ind AS
ASSETS			
Non-current assets			
Property, Plant and Equipment	6.13	-	6.13
Intangible assets	43.83	-	43.83
Right of use assets	-	17.44	17.44
Financial assets		-	-
(i) Investments	-	-	-
(i) Other financial assets	28.83	(21.84)	6.99
Other non-current assets	46.88	(46.88)	-
Total non-current assets	125.67	(51.28)	74.39
Current assets			
Financial assets			
(i) Trade receivables	8.05	-	8.05
(ii) Cash and cash equivalents	27.03	3.12	30.15
(iii) Bank balances other than (ii) above	10.31	-	10.31
(iv) Other financial assets	29.00	-	29.00
Other current assets	38.47	47.88	86.35
Total current assets	112.86	51.00	163.86
Total assets	238.53	(0.28)	238.25
EQUITY AND LIABILITIES			
Equity			
Equity share capital	0.35	-	0.35
Instruments in the nature of equity	1,413.81	-	1,413.81
Other equity	(1,221.69)	(20.42)	(1,242.11)
Total equity	192.47	(20.42)	172.05
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	-	15.33	15.33
Provisions	9.31	0.09	9.40
Total non-current liabilities	9.31	15.42	24.73
Current liabilities			
Financial liabilities			
(i) Short-term borrowings	-	-	-
(ii) Lease liabilities	-	3.84	3.84
(iii) Trade payables	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	18.58	(13.72)	4.86
Provisions	2.23	13.96	16.19
Other current liabilities	15.94	0.64	16.58
Total current liabilities	36.75	4.72	41.47
Total liabilities	46.06	20.14	66.20
Total equity and liabilities	238.53	(0.28)	238.25

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

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(c) Reconciliation of profit or loss for the year ended 31 March 2021

	Indian GAAP*	Adjustments	Ind AS
Income			
Revenue from operations	3,484.00	-	3,484.00
Other income	5.86	0.37	6.23
Total income	3,489.86	0.37	3,490.23
Expenses			
Cost of services	3,485.08	-	3,485.08
Employee benefit expense	116.51	107.62	224.13
Finance costs	0.05	2.20	2.25
Depreciation and amortisation expense	18.23	4.67	22.90
Other expenses	28.50	8.49	36.99
Total expenses	3,648.36	122.99	3,771.35
Profit /(Loss) before exceptional items and tax	(158.50)	(122.62)	(281.12)
Share in net profit/(loss) of an associate	(3.67)	3.67	-
Profit /(Loss) before tax	(162.17)	(118.95)	(281.12)
Tax expense			
Current tax	-	-	-
Deferred tax	-	-	-
Total income tax expense	-	-	-
Loss for the year	(162.17)	(118.95)	(281.12)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Net (loss)/gain on FVTOCI debt securities	-	-	-
Income tax effect	-	-	-
	-	-	-
Exchange differences on translation of foreign operations	-	(0.20)	(0.20)
Income tax effect	-	-	-
	-	(0.20)	(0.20)
Items that will not be reclassified to profit or loss			
Net (loss)/gain on FVTOCI equity Securities	-	-	-
Remeasurement of net defined benefit liability	-	0.72	0.72
Income tax effect	-	-	-
	-	0.72	0.72
Other comprehensive income for the year	-	0.52	0.52
Total comprehensive income/(Loss) for the year	(162.17)	(118.43)	(280.60)

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

		As at 31 March 2021	As at 1 April 2020
(d)	**Reconciliation of total equity as at 31 March 2021 and 1 April 2020**		
	Shareholder's equity as per Indian GAAP audited financial statements	192.47	354.32
	Adjustment		
(i)	Adjustment for recognition of right-of-use assets and lease liabilities	(1.73)	0.02
(ii)	Other adjustments	(18.69)	(5.38)
	Total Adjustment	(20.42)	(5.36)
	Shareholder's equity as per Ind AS	172.05	348.96

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		As at 31 March 2021
(e)	**Reconciliation of total comprehensive income for the year ended 31 March 2021**	
	Loss as per Indian GAAP	(162.17)
	Adjustment	
(i)	Adjustment for employee stock option expense	(103.69)
(ii)	Adjustment for recognition of right-of-use assets and lease liabilities	(1.75)
(iii)	Adjustment for Other Comprehensive income	(0.72)
(iii)	Other Adjustments	(12.79)
		(118.95)
	Loss as per Ind AS	(281.12)

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(f) **Analysis of changes in cash and cash equivalent for the purpose of statement of cash flows under Ind AS:**
No material impact on transition from Indian GAAP to Ind AS on the statement of cash flows.

(g) **Notes to first-time adoption**

(i) **Recognition of Right of use assets**
Under the previous GAAP, rental expenditure for operating leases were recognised as expenditure on a straight-line basis over the lease period. During the current year, on transition to Ind AS, the Company has applied the principles of Ind AS 116 and recognised a right of use assets with a corresponding lease liability in the balance sheet by using the modified retrospective method effective from the transition date. Accordingly, the rental expenditure has been reversed and an amortisation charge on Right of use asset and interest on lease liability is recognised in the statement of profit and loss.

(ii) **Defined benefit obligation**

Both under Indian GAAP and Ind-AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are to be recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Whereas, the Company has recognised all the remeasurements to the Statement of profit and loss and decided to follow the same consistently.

(iii) **Employee stock option expense**
Under Previous GAAP, the cost of equity-settled and liability settled employee share-based plan were recognised using the intrinsic value method. Under Ind AS, the cost of share-based plan is recognised on the fair value of the options as at the grant date and reporting date as applicable.

(iv) The Company holds 49% of equity in the PayMate Payments Services Provider LLC, in IGAAP the investment is considered as an associate. However, based on the definition given under IND AS 110, the aforesaid investment is considered as subsidiary. Due to change in the classification of investments, the same is consolidated as subsidiary in the Standalone financial statements.

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PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Notes to Consolidated Financial Statement
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

3 Property Plant and equipment and Intangible assets

	Property Plant and equipment				Intangible assets		
Description of Assets	Computers and softwares	Office equipments	Furniture and fittings	Total	Patent rights	Application	Total
Balance as at April 01, 2020	13.24	0.54	0.86	14.64	0.24	73.05	73.29
Additions	0.13	-	-	0.13	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	13.37	0.54	0.86	14.77	0.24	73.05	73.29
Balance as at April 01, 2021	13.37	0.54	0.86	14.77	0.24	73.05	73.29
Additions	2.88	0.13		3.01			
Disposals		0.00		0.00			
Balance as at March 31, 2022	16.25	0.67	0.86	17.78	0.24	73.05	73.29
II. Accumulated depreciation and impairment							
Balance as at April 01, 2020	4.61	0.17	0.29	5.07	0.17	14.61	14.78
Depreciation / amortisation expense for the period	3.37	0.11	0.09	3.57	0.07	14.61	14.68
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2021	7.98	0.28	0.38	8.64	0.24	29.22	29.46
Balance as at April 01, 2021	7.98	0.28	0.38	8.64	0.24	29.22	29.46
Depreciation / amortisation expense for the period	3.24	0.08	0.09	3.41		14.61	14.61
Disposals							
Balance as at March 31, 2022	11.22	0.36	0.47	12.05	0.24	43.83	44.07
III. Net block (I-II)							
Balance as at April 1, 2020	8.63	0.37	0.57	9.57	0.07	58.44	58.51
Balance as at March 31, 2021	5.39	0.26	0.48	6.13	-	43.83	43.83
Balance as at March 31, 2022	5.03	0.31	0.39	5.73	-	29.22	29.22

3 Property Plant and equipment and Intangible assets (continued)

Business Combination

On April 01, 2019, the Company has acquired the customer contracts, leased facilities, assets and employees of Zaitech Technologies Private Limited, through a Business Transfer Agreement for a cash consideration of ₹ 73.67 millions.

The following table presents the provisional purchase price allocation:

Description	Purchase price allocated
Net Assets	0.63
Application acquired	73.05
Total Purchase Price	73.68

Depreciation and Amortisation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Property, Plant and Equipment	3.41	3.57
Right of Use Assets	4.65	4.65
Amortisation - Intangibles	14.61	14.68
Total	22.67	22.90

Title deeds of Immovable Properties not held in name of the Group:

Description	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Title deeds held in the name of	PayMate India Limited		
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA		
Reason for not being held in the name of the Group	NA		

PAYMATE INDIA LIMITED MUMBAI

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(CIN: U72200MH2006PLC205023)
Notes to Consolidated Financial Statement
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

4. Right of use assets and Lease Liabilities

The company has lease contracts for office units. The company's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options.

The company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2018 and applied the standard to its leases, under modified retrospective transition method.

The company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term except inflation adjustment.

(i) Movement in Right of use assets and Lease liabilities is given below:

Description	Right of use assets (Buildings)
Cost as at April 1, 2020	**31.39**
Additions	-
Disposals	-
Cost as at March 31, 2021	**31.39**
Additions	-
Disposals	-
Cost as at March 31, 2022	**31.39**
Accumulated depreciation as at April 1, 2020	**9.30**
Ind AS 116 transition adjustment	-
Depreciation for the year	4.65
Disposals	-
Accumulated depreciation as at March 31, 2021	**13.95**
Depreciation for the period	4.65
Disposals	-
Accumulated depreciation as at March 31, 2022	**18.60**
Net carrying amount as at April 01, 2020	**22.09**
Net carrying amount as at March 31, 2021	**17.44**
Net carrying amount as at March 31, 2022	**12.79**

Lease Liability: Set out below are the carrying amounts of lease liabilities and the movements during the period / year:

	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Opening balance	19.17	22.07	25.62
Recognised on adoption of Ind AS 116	-	-	-
Additions during the period / year	-	-	-
Disposal during the period / year	-	-	-
Accretion of interest	1.86	2.19	2.56
Payment of lease liabilities	(5.70)	(5.09)	(6.11)
Closing balance	**15.33**	**19.17**	**22.07**
Less: Current Lease liabilities	5.05	3.84	2.90
Non Current Lease liabilities	10.28	15.33	19.17

(ii) Payments recognised as expenses and income

	For the period / year ended		
	31-Mar-2022	31-Mar-2022	01-Apr-2020
Short term leases and low value assets	0.28	6.03	6.03
	0.28	6.03	**6.03**

(iii) Contractual maturities of lease liabilities on undiscounted basis

	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Less than one year	6.42	5.70	5.09
One to five years	11.23	17.65	23.35
More than five years	-	-	-
	17.65	23.35	**28.44**

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5 Other Financial assets

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Security Deposits	6.02	3.76	3.39
Earmarked balances with banks	0.38	0.51	0.55
Other Long Term Bank Deposits	-	2.72	2.37
Total	6.40	6.99	6.31

i. Earmarked balances with banks includes interest receivable of ₹ 0.18 ₹ 0.01 mn and ₹ 0.08 mn mn as at March 31, 2022, March 31, 2021 and April 01, 2020 respectively.
ii. Other long-term bank deposits includes interest receivable of ₹ 0.62 mn and ₹ 0.25mn mn as at March 31, 2021 and March 31, 2020 respectively.

6 Trade receivables (Unsecured)

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Trade receivables:			
considered good	57.40	8.05	13.33
considered doubtful	-	-	-
	57.40	8.05	13.33
Less: Provision for doubtful trade receivables	-	-	-
	57.40	8.05	13.33
Total	57.40	8.05	13.33

Trade Receivables ageing schedule:

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	47.92	0.18	9.30	-	-	57.40
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	47.92	0.18	9.30	-	-	57.40

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	8.05	-	-	-	-	8.05
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	8.05	-	-	-	-	8.05

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As at 1st April 2020

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	13.33	-	-	-	-	13.33
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	13.33	-	-	-	-	13.33

7 Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Cash on hand	0.02	0.02	0.14
Foreign Currency in hand	0.02	0.02	-
Balances with banks :	-	-	-
(i) In current accounts	38.44	30.11	55.50
(ii) Fixed Deposit with Banks	-	-	51.12
Total	38.48	30.15	106.76

Fixed Deposit with Banks includes interest receivable of ₹ 0.18 mn as at April 1,2020.

8 Other balances with banks

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Earmarked balances with banks	-	6.72	6.15
Short-term bank deposits	7.34	3.59	58.27
Total	7.34	10.31	64.42

Earmarked balances with banks includes interest receivable of ₹ 1.11 mn and ₹ 0.51 mn as at March 31, 2021, March 31, 2020 respectively.
Short-term bank deposits includes interest receivable of ₹ 0.59 mn, ₹ 0.07 mn and ₹ 0.07 mn as at March 31, 2022, March 31, 2021 and March 31, 2020 and respectively.

9 Other financial assets

(Unsecured and considered good, unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Security deposits	199.11	28.71	51.69
Advance to Staff	3.23	0.29	4.02
Unbilled Revenue	19.87	-	-
Share issue expenses (refer note below)	85.08	-	-
Total	307.29	29.00	55.71

During the year ended March 31st, 2022 the Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 85.08 mm is accounted for various services received for Initial Public Offering (IPO). In accordance with the Companies Act 2013 ("the Act") and also as per the Offer Agreement entered between the Company and the selling shareholders, the selling shareholders shall reimburse the share issue expenses in proportion to the respective shares offered for sale. Accordingly, the Company will partly recover the expenses incurred in connection with the Issue on completion of Initial Public Offer (IPO). The Company's share of expenses shall be adjusted against securities premium to the extent permissible under Section 52 of the Act on successful completion of IPO. The entire amount has been carried forward and disclosed under the head "Share issue expenses" under "other current financial assets" (to the extent of not written off or adjusted). The amount which is receivable from the selling shareholders is not disclosed separately as the amount is not determinable at this stage pending completion of the IPO.

10 Other current assets

(Unsecured and considered good, unless stated otherwise)

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Advance tax and Tax deducted at source	104.22	49.06	49.37
Prepaid expenses	1.15	0.94	0.52
Balances with government authorities	54.46	35.37	26.44
Loans & Advances	1.29	0.30	0.32
Travel advance to staff	-	-	0.33
Other Receivables	-	0.68	0.06
Total	161.12	86.35	77.04





PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
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(All amounts are INR. in Millions, except for share data and unless otherwise stated)

11 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021		As at 1 April 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(a) Authorised:						
(i) Equity Share Capital						
Equity Shares of ₹ 1/- each	8,09,12,859.00	80.91	9,30,005	9.30	9,30,005	9.30
(ii) Preference Share Capital						
10% Non-Cumulative participating fully convertible Preference shares of Rs. 1,263,699.83 each	114	144.06				
10% Non-Cumulative participating fully convertible Preference shares of Rs. 9,59,772.10 each	293	281.21	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 64,740 each	357	23.11	357	23.11		
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,58,456.7 each	3,254	515.62	3,254	515.62	3,254	515.62
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,55,655.54 each	312	48.55	312	48.56	312	48.56
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 14,781.84 each	3,862	57.09	3,862	57.09	3,862	57.09
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 14,694.45 each	3,862	56.75	3,862	56.75	3,862	56.75
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,681.34 each	1,820	23.08	1,820	23.08	1,820	23.08
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,642.48 each	1,820	23.01	1,820	23.01	1,820	23.01
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,726.16 each	2,042	25.99	2,042	25.99	2,042	25.99
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 12,669.53 each	2,042	25.87	2,042	25.87	2,042	25.87
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,905.46 each	1,938	90.90	1,938	90.90	1,938	90.90
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,883.44 each	2,544	119.27	2,544	119.27	2,544	119.27
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 46,905.42 each	1,513	70.97	1,513	70.97	1,513	70.97
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 56,741.97 each	909	51.58	909	51.58	909	51.58
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 56,770.44 each	318	18.05	318	18.05	318	18.05
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 67,176.16 each	1,817	122.06	1,817	122.06	1,817	122.06
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 73.72 each	1	-	1	-	1	-
10% Non-Cumulative participating fully convertible Preference Shares of ₹ 51,264.37 each	2,768	141.91	2,768	141.90	2,768	141.90
Total	8,09,44,445	1,920.00	9,61,184	1,423.11	9,60,827	1,400.00

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PAYMATE INDIA LIMITED MUMBAI

PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Notes to Consolidated Financial Statement
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

Particulars	As at March 31, 2022		As at March 31, 2021		As at 1 April 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Issued, Subscribed and Fully paid-up:						
11 (a) Equity Share Capital						
Equity Shares of ₹ 1/- each	5,74,08,690	57.41	34,756	0.35	33,977	0.34
Total equity shares	**5,74,08,690**	**57.41**	**34,756**	**0.35**	**33,977**	**0.34**
11 (b) Preference Share Capital						
10% Non-Cumulative participating fully convertible Preference shares of ₹ 12,63,699.83 each (each of the Series D4 preference shares shall be converted to a maximum of 4,530 equity shares upon conversion as per the conversion ratio based on the commercial terms & conditions laid down in the investment agreement to be converted on or before 05/03/2042)	114	144.06				
10% Non-Cumulative participating fully convertible Preference shares of ₹ 9,59,772.10 each (each of the Series D3 preference shares shall be converted to a maximum of 9,060 equity shares upon conversion as per the conversion ratio based on the commercial terms & conditions laid down in the investment agreement to be converted on or before 24/08/2041)	293	281.21	-	-	-	-
10% Non-Cumulative participating fully convertible preference shares of ₹ 64,740 each - (to be converted on or before 06/09/2040 at a conversion ratio of 1,510 equity shares for each preference share held)	357	23.11	357	23.11		
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,58,456.7 each - (to be converted on or before 13/08/2039 at a conversion ratio of 1,510 equity shares for each preference share held)	3,254	515.62	3,254	515.62	3,254	515.62
10% Non-Cumulative participating fully convertible preference shares of ₹ 1,55,655.54 each - (to be converted on or before 22/04/2039 at a conversion ratio of 1,510 equity shares for each preference share held)	312	48.56	312	48.56	312	48.56
10% Non-Cumulative participating fully convertible preference shares of ₹ 51,264.37 each (to be converted on or before 11/09/2037 at a conversion ratio of 1,510 equity shares for each preference share held)	1,529	78.38	1,529	78.38	1,529	78.38
10% Non-Cumulative participating fully convertible preference shares of ₹ 51,264.37 each (to be converted on or before 11/09/2037 at a conversion ratio of 1,510 equity shares for each preference share held)	1,239	63.52	1,239	63.52	1,239	63.52
10% Non-Cumulative participating fully convertible preference shares of ₹ 67,176.16 each (to be converted on or before 14/09/2034 at a conversion ratio of 1,510 equity shares for each preference share held)	1,817	122.06	1,817	122.06	1,817	122.06
10% Non-Cumulative participating fully convertible preference shares of ₹ 56,770.44 each (to be converted on or before 27/02/2032 at a conversion ratio of 1,510 equity shares for each preference share held)	318	18.05	318	18.05	318	18.05
10% Non-Cumulative participating fully convertible preference shares of ₹ 56,741.97 each (to be converted on or before 27/02/2032 at a conversion ratio of 1,510 equity shares for each preference share held)	---	---	---	---	---	---
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,905. 46 each (to be converted on or before 25/05/2031 at a conversion ratio of 1,510 equity shares for each preference share held)	2,544	119.27	2,544	119.27	2,544	119.27
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,905. 42 each (to be converted on or before 25/05/2031 at a conversion ratio of 1,510 equity shares for each preference share held)	1,938	90.90	1,938	90.90	1,938	90.90
10% Non-Cumulative participating fully convertible preference shares of ₹ 46,883.44 each (to be converted on or before 18/09/2029 at a conversion ratio of 1,510 equity shares for each preference share held)	1,513	70.97	1,513	70.97	1,513	70.97
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,669.53 each (to be converted on or before 24/03/2028 at a conversion ratio of 1,510 equity shares for each preference share held)	2,042	25.87	2,042	25.87	2,042	25.87

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PayMate India Limited (formerly known as PayMate India Private Limited)
(CIN: U72200MH2006PLC205023)
Notes to Consolidated Financial Statement
(All amounts are INR. in Millions, except for share data and unless otherwise stated)

ng notes forming part of the Consolidated financial statements.

Particulars	As at March 31, 2022		As at March 31, 2021		As at 1 April 2020	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,726.16 each (to be converted on or before 24/03/2028 at a conversion ratio of 1,510 equity shares for each preference share held)	2,042	25.99	2,042	25.99	2,042	25.99
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,642.48 each (to be converted on or before - 22/10/2027 at a conversion ratio of 1,510 equity shares for each preference share held)	1,820	23.01	1,820	23.01	1,820	23.01
10% Non-Cumulative participating fully convertible preference shares of ₹ 12,681.34 each (to be converted on or before 22/10/2027 at a conversion ratio of 1,510 equity shares for each preference share held)	1,820	23.08	1,820	23.08	1,820	23.08
10% Non-Cumulative participating fully convertible Preference shares of ₹ 14,781.84 each (to be converted on or before 15/11/2026 at a conversion ratio of 1,510 equity shares for each preference share held)	3,862	57.09	3,862	57.09	3,862	57.09
10% Non-Cumulative participating fully convertible Preference shares of ₹ 14,694.45 each (to be converted on or before 15/11/2026 at a conversion ratio of 1,510 equity shares for each preference share held)	3,862	56.75	3,862	56.75	3,862	56.75
Total preference shares	31,585	1,839.08	31,178	1,413.81	30,821	1,390.70
Total		1,896.49		1,414.16		1,391.04

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(ii) Terms / rights attached to the Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 1 per share (March 31, 2021, March 31, 2020 and March 31, 2019: Rs. 10 per share). Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% of the share capital:

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021		As at 1 April 2020	
	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
Equity Shares						
Mr.Ajay Adiseshann	3,30,99,200	57.66%	22,270	64.08%	22,270	65.54%
Mr.Probir Roy	65,25,221	11.37%	4,387	12.62%	4,387	12.91%
Mr.Alexander Kuruvilla	32,60,090	5.68%	2,159	6.21%	2,159	6.35%
Mr.Dhruv Singh	37,75,000	6.58%	2,500	7.19%	2,500	7.36%
Mrs.Uma Vishvanathan	40,96,630	7.14%	2,013	5.79%	2,013	5.92%
Preference Shares						
M/s.Lightbox Ventures I	20,716	65.59%	20,716	66.44%	20,716	67.21%
M/s.IPO Wealth Holdings Pty Ltd.	2,768	8.76%	2,768	8.88%	2,768	8.98%
M/s.Mayfield FVCI Ltd.	2,544	8.05%	2,544	8.16%	2,544	8.25%
M/s.VISA International Service Association	2,229	7.06%	2,229	7.15%	2,229	7.23%

(iv) shareholding of promoters

	As at March 31, 2022			As at March 31, 2021			As at April 1, 2020		
	Number of shares held	% of holding	% of Change	Number of shares held	% of holding	% of Change	Number of shares held	% of holding	% of Change
Mr. Ajay Adiseshann	3,30,99,200	57.66%	-6.42%	22,270	64.08%	-1.47%	22,270	65.54%	0%
Total									

v) i) For details of shares reserved for issue under Employee Stock Option Plan (ESOP) of the Parent Company, refer Note 30.
ii) Company has allotted 150 bonus shares for every one fully paid-up equity share with face value of ₹1 per Equity
iii) there are no shares bought back during the period of five years immediately preceding the reporting date.

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12 Other equity

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Securities premium account	296.23	124.35	73.80
Retained earnings/(deficit)	(2,087.51)	(1,510.14)	(1,229.02)
Employees Stock option outstanding	361.30	125.98	22.29
Money received against share warrants	-	19.50	19.50
Share suspense account	-	-	73.67
Other items of other comprehensive income	(2.18)	(1.49)	(2.21)
Foreign currency translation reserve	(0.69)	(0.31)	(0.11)
Total	(1,432.85)	(1,242.11)	(1,042.08)

Securities Premium account

Securities Premium account is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings are the profit/losses (net of appropriation) of the parent company earned till date, including items of other comprehensive income.

Money Received Against Share Warrants

Share warrant of 5 Nos ₹ 39,00,000/- each with excise option period of 6 years from closing date and convertible at ₹ 12,145/- per share or at a future agreed rate, at the time of the exercise of the option.

Share Suspense Account

779 Equity shares of ₹ 64,740/- each and 359 Preference Shares of ₹ 64,740/- each to be issued to Zaitech Technologies Private Limited to settle the Purchase price on Business combination as approved by NCLT.

13 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
(a) Provision for employee benefits			
Provision for Gratuity [Refer note 25]	12.89	9.40	7.95
Total	12.89	9.40	7.95

14 Trade payables (at amortised cost)

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Trade payables			
- Total outstanding dues of micro and small enterprises	0.08	-	-
- Total outstanding dues of creditors other than micro and small enterprises	26.16	4.86	5.96
Total	26.24	4.86	5.96

Trade payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	0.08	-	-	-	-	0.08
(ii) Others	17.51	4.92	0.15	3.58	-	26.16
(iii) Disputed Dues - MSME	-	-		-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	17.59	4.92	0.15	3.58	-	26.24

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Trade payables ageing schedule as on March 31, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	2.87	1.93	0.06	-	-	4.86
(iii) Disputed Dues - MSME	-	-		-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	2.87	1.93	0.06	-	-	4.86

Trade payables ageing schedule as on March 31, 2020

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1- 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	2.53	3.17	0.26	-	-	5.96
(iii) Disputed Dues - MSME	-	-		-		-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Unbilled dues	-	-	-	-	-	-
Total	2.53	3.17	0.26	-	-	5.96

15 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Provision for Expenses	50.19	13.96	14.92
Provision for gratuity [Refer note 25]	3.41	2.23	1.00
Total	53.60	16.19	15.92

16 Other Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Statutory remittances	54.07	16.58	10.09
Advance from customers	-	-	2.79
Total	54.07	16.58	12.88

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17 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
Transaction fees - local	12,070.04	3,392.61
Transaction fees - international	18.86	91.39
Total	12,088.90	3,484.00

18 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income from		
- financial assets at amortised cost	0.14	3.42
- income tax refund	2.36	0.59
- on lease deposit	0.71	0.37
Liabilities no longer required written back	0.09	1.85
Foreign exchange gain	-	-
Other miscellaneous income	0.01	-
Total	3.31	6.23

19 Cost of services

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Bank transaction fees and payment gateway fees	12,074.79	3,484.82
Discount on vouchers / mobile recharge top up	-	0.26
Total	12,074.79	3,485.08

20 Employee benefit expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	242.02	112.56
Contributions to provident fund and other funds (Refer Note 25)	5.21	3.58
Gratuity expense (Refer Note 25)	3.21	3.39
Share based payments to employees	243.84	103.69
Staff welfare expenses	2.50	0.91
Total	496.78	224.13

21 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Interest expense on financial liabilities at amortised cost:	-	
(i) Borrowings	-	0.01
(ii) Lease liabilities	1.86	2.19
(b) Interest on delay payment of statutory dues	0.97	0.05
Total	2.83	2.25

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22 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Lease rentals	0.21	0.28
Electricity expenses	0.32	0.32
Foreign exchange loss	0.21	0.17
Insurance expenses	1.10	0.13
Repairs and maintenance (Others)	0.22	0.59
Rates and taxes	11.39	0.39
Legal and professional fees	10.84	16.89
Information technology expenses	24.80	8.01
Travelling and conveyance expenses	3.34	1.75
Audit fees (Refer Note - 22.1)	3.67	0.50
Advertisement & Marketing Expenses	4.47	1.39
Conveyance charges	-	-
Office expenses	1.42	5.60
Telephone charges	1.80	0.84
Bank charges	0.40	0.03
Membership and registration	0.29	-
Provision for bad and doubtful debts	7.69	-
Miscellaneous expenses	0.34	0.10
Total	72.51	36.99

22.1 Payments to auditors:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Payments to auditors comprises (net of input tax credit,		
Statutory audit fees	3.67	0.50
For other services	-	-
Total	3.67	0.50

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23 Contingent liabilities and commitments

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
(i) Contingent liabilities:			
(a) Bank guarantee given to various parties	0.38	6.85	6.32
(b) Claims against the company not acknowledged as debts for the period from FY 2007-2008 till FY 2014-15 towards short deduction & short payment of TDS including interest	-	-	0.68
(c) Income tax demand	1.66	1.66	-
(d) Service tax demand	1.19	1.19	-
(e) GST demand	-	-	-
(ii) Commitments:			
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-

24 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
The amounts remaining unpaid to micro and small supplies as at end of the period / year			
- Principal	0.08	-	-
- Interest	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year/period;	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year / period ; and	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	-	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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25 Employee benefit plans

25.1 Defined contribution plans - provident fund

The Company makes Provident Fund scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Provident fund	5.21	3.58	3.49

25.2 Defined benefit plan - gratuity

The Company provides for Gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for Gratuity. The amount of Gratuity payable on retirement/ termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months, restricted to a sum of Rs. 20 lakhs.

The Group does not fund the liability.

This defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Components of employer expense			
Current service cost	2.45	2.74	1.34
Past service cost	-	-	-
Interest cost	0.79	0.66	0.45
Expected return on plan assets	-	-	-
Recognised in statement of profit and loss	3.24	3.40	1.79
Re-measurement - actuarial (gain)/loss recognised in OCI	0.69	(0.72)	1.43
Total expense recognised in the Statement of total comprehensive income	**3.93**	2.68	3.22
Other Comprehensive Income (OCI)			
Actuarial (gain)/loss due to DBO experience	0.58	(1.52)	0.97
Actuarial (gain)/loss due to DBO financial assumption changes	0.13	0.81	0.52
Actuarial (gain)/loss due to DBO demographic assumption changes	(0.02)	(0.00)	(0.05)
Actuarial (gain)/loss arising during period	0.69	(0.72)	1.44
Actual return on plan assets (greater)/less interest on plan assets	-	-	-
Actuarial (gains)/ losses recognized in OCI	0.69	(0.72)	1.44

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Defined Benefit Cost			
Service cost	2.45	2.74	1.34
Net interest on net defined benefit liability / (asset)	0.79	0.66	0.45
Actuarial (gains)/ losses recognized in OCI	0.69	(0.72)	1.43
Defined Benefit Cost	**3.93**	2.68	3.22
Change in defined benefit obligation (DBO) during the year			
Present value of DBO at beginning of the year	11.54	8.91	5.69
Current service cost	2.45	2.74	1.34
Past service cost	-	-	-
Interest cost	0.79	0.66	0.45
Actuarial (gains) / losses	0.69	(0.72)	1.43
Benefits paid	(0.03)	(0.05)	-
Present value of DBO at the end of the year	**15.44**	11.54	8.91

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	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Actual contribution and benefit payments for year			
Actual benefit payments	(0.03)	(0.05)	-
Actual contributions	0.03	0.05	-
Change in fair value of assets during the year			
Plan assets at beginning of the year	-	-	-
Expected return on plan assets	-	-	-
Actual company contributions	0.03	0.05	-
Actuarial gain / (loss)	-	-	-
Benefits paid	(0.03)	(0.05)	-
Plan assets at the end of the year	-	-	-
Actual return on plan assets	-	-	-

	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Current and Non Current Liability portion			
Particulars			
Current Liability	3.41	2.23	1.00
Non Current Asset/ (Liability)	11.98	9.31	7.91
Net Asset/(Liability)	15.39	11.54	8.91
Net asset / (liability) recognised in the Balance Sheet			
Present value of defined benefit obligation	15.39	11.54	8.91
Fair value of plan assets	-	-	-
Funded status [Surplus / (Deficit)]	(15.39)	(11.54)	(8.91)
Net asset / (liability) recognised in the Balance Sheet	(15.39)	(11.54)	(8.91)
Composition of the plan assets is as follows:			
Discount rate	6.70%	6.82%	6.71%
Attrition Rate	15.24%	8.50%	7.27%
Expected return on plan assets	NA	NA	NA
Salary escalation	10.00%	10.00%	8.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity Plan	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Estimate value of obligation if discount rate higher by 1%	(0.72)	(0.74)	(0.59)
Estimated value of obligation if discount rate is lower by 1%	0.80	0.81	0.63
Estimate value of obligation if salary growth rate is higher by 1%	0.47	0.44	0.38
Estimate value of obligation if salary growth rate is lower by 1%	(0.50)	(0.38)	(0.35)
Estimate value of obligation if attrition rate is higher by 1%	(0.04)	(0.01)	0.01
Estimate value of obligation if attrition rate is lower by 1%	0.03	0.01	(0.01)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

Maturity profile of defined benefit obligation:

Maturity profile, if it ensues	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
With in 1 year	3.53	2.29	1.03
1-2 Year	1.57	0.70	1.60
2-3 Year	1.65	0.74	0.53
3-4 Year	1.67	0.79	0.56
4-5 Year	1.55	1.08	0.59
Above 5 years	6.59	5.09	3.94

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26 Segment Reporting

The Company's operations predominantly relate to providing B2B payments and services provider. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

An analysis of the Company's revenue is as follows:

a) Revenue From External Customers

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	12,070.04	3,392.61
Singapore	17.97	91.39
Rest of World	0.89	-
Total	12,088.90	3,484.00

b) Non-Current assets (other than Financial instruments)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	47.65	67.36
Singapore	-	-
Rest of world	0.09	0.04
Total	47.74	67.40

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27 Related party transactions

(a) Related Parties

Name of related parties	Description of relationship
Paymate Payment Services Provider LLC	Subsidiary of PayMate India Private Limited
PayMate Inc	Subsidiary of PayMate India Private Limited
Bloom Ventures Private Limited	Company Having Common Directors
Ajay Adiseshan	Managing Director
S Vishvanathan	Director & CFO
Uma Vishvanathan	Relative of director

(b) Transaction during the year

Particulars	Related Party	Year ended March 31, 2022	Year ended March 31, 2021
A) Directors Remuneration	Ajay Adiseshan	33.60	9.00
	S Vishvanathan	23.28	3.38
B) Salary	Uma Vishvanathan	1.03	1.13
C) Loans Taken	Ajay Adiseshan	41.20	-
	S Vishvanathan	-	-
D) Loans Repaid	Ajay Adiseshan	41.20	-
	S Vishvanathan	-	-
	S Vishvanathan	-	-
E) Advance from Customers	Bloom Ventures Private Limited	-	-
F) Advance from Customers Repaid	Bloom Ventures Private Limited	-	-

(c) Balance outstanding as at the balance sheet date

Particulars	Related Party	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
A) Remuneration Payable	Ajay Adiseshan	-	-	-
	S Vishvanathan	-	-	-
B) Advance from Customers	Bloom Ventures Private Limited	-	-	-
C) Short term borrowings	Ajay Adiseshan	-	-	-
	S Vishvanathan	-	-	-

(d) Transactions within the Group:

		Year ended March 31, 2022	Year ended March 31, 2021
Transactions by the Company with other Group entities:			
A) Loan given	Paymate Payment Services	48.65	12.83
B) Interest income on loan given	Provider LLC	4.91	-
Transactions by Paymate Payment Services Provider LLC			
A) Loan received	Paymate India Private Limited	48.65	12.83
B) Interest Expense on loan taken	Paymate India Private Limited	4.91	-

(e) Amounts due (to)/ from related parties:

		As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
In the Books of Parent Company:				
A) Short term loans and advances	Paymate Payment Services Provider LLC	82.90	34.25	21.41
	PayMate Inc (fully provided)	48.70	48.70	48.70
B) Accounts receivable	PayMate Inc (fully provided)	6.40	6.40	6.40
D) Interest Receivable	PayMate Payment Service Provider LLC	4.91	-	-
	PayMate Inc (fully provided)	0.04	0.04	0.04
E) Investments	Paymate Payment Services Provider LLC	2.85	2.85	2.85
In the books of Paymate Payment Services Provider LLC				
A) Short term loans	Paymate India Private Limited	(82.90)	(34.25)	(21.41)
B) Interest Payable	Paymate India Private Limited	4.91	-	-
C) Investments received	Paymate India Private Limited	(2.85)	(2.85)	(2.85)
		-	-	-
In the books of Paymate PayMate Inc				
A) Short term borrowings	Paymate India Private Limited	(48.70)	(48.70)	(48.70)
B) Accounts payable	Paymate India Private Limited	(6.40)	(6.40)	(6.40)
C) Investments received	Paymate India Private Limited	(0.04)	(0.04)	(0.04)
		-	-	-

* As per Schedule VI (Para 11(I)(A)(i)(g)) of ICDR Regulations

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28 Earnings per equity share

Basic earnings per share amounts is calculated by dividing the profit/(loss) for the period / year attributable to equity holders by the weighted average number of equity shares outstanding during the period / year. Diluted earnings per share amounts is calculated by dividing the profit/(Loss) attributable to equity holders (after adjusting for dividend on the convertible preference shares) by the weighted average number of equity shares outstanding during the period / year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Earnings per equity share		
Loss attributable to equity shareholders	(577.37)	(281.12)
Original number of equity shares (post share split)*	3,58,973	3,44,167
Add: Impact of bonus issue	5,38,46,022	5,16,24,982
Weighted average number of equity shares for basic EPS (Nos.)	**5,42,04,995**	**5,19,69,149**
Effect of dilutive equivalent share options	93,87,049	66,51,870
Effect of dilutive equivalent Compulsory convertible preference shares	4,87,14,247	4,68,43,952
Weighted average number of equity shares for dilutive EPS (Nos.)	**11,23,06,291**	**10,54,64,971**
Par value per equity share (₹)	1.00	1.00
Earning/(loss) per share - Basic (₹)	**(10.65)**	**(5.41)**
Earning/(loss) per share - Diluted (₹)#	**(10.65)**	**(5.41)**

*The Company on December 18, 2021, has split the Rs. 10 equity share into 10 shares of Re. 1 each. Accordingly, the earnings per share has been adjusted for subdivision of shares for the current and previous years presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

#The conversion of above mentioned potential equity shares would decrease loss per share from continuing ordinary activities, these are anti-dilutive in nature and thus the effects of anti-dilutive potential equity shares are not considered in calculating diluted earning per share.

29 Income Tax :

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Statement of profit and loss	Other comprehensive income	Statement of profit and loss	Other comprehensive income
Current Tax	-	-	-	-
Deferred tax	-	-	-	-
Income tax expense	-	-	-	-

As the company is incurring Losses, the provision for Income tax does not arise.

Deferred Tax

Deferred Tax The Company has unabsorbed depreciation and unused tax losses at the end of the year. The net deferred tax asset has not been recognised on such losses and unabsorbed depreciation, as the probable taxable profits for the entity are low before the unused tax losses or unabsorbed depreciation expire and also on consideration of prudence. The Company has not created deferred tax assets on the following.

Particulars	As at March 31, 2022	As at March 31, 2021
Accumulated unabsorbed depreciation loss	107.66	90.41
Accumulated unabsorbed business loss	568.93	438.04
Total	**676.59**	**528.45**
Unused tax losses which expire in financial years:		
2019-20	-	-
2020-21	-	-
2021-22	15.51	15.51
2022-23	3.99	3.99
2023-24	44.55	44.55
2024-25	42.37	42.37
2025-26	49.20	49.20
2026-27	72.79	72.79
2027-28	209.63	209.63
2028-29	130.89	-

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30 Employee Stock Option plan

The stock compensation expense recognised for employee services received during the year ended March 31, 2022 and year ended March 31, 2021 were ₹ ₹ 243.84 and ₹ 103.69 respectively.

ESOP scheme 2014

The Board of Directors of the Parent Company at its meeting held on December 18, 2021, ratified the Paymate Employees Stock Option Plan-I 2014 ("ESOP Plan"). At the said meeting, the Board authorised the Compensation Committee for the superintendence of the ESOP Plan. ESOP is the primary arrangement under which shared plan service incentives are provided to certain specified employees of the Company. Employees covered under Stock Option Plans are granted an option to purchase shares of the Company at the respective exercise prices, subject to requirements of vesting conditions. These options generally vest in tranches over a period of one to five years from the date of grant. Upon vesting, the employees can acquire one equity share for every option. The normal Excise Period is 5 years from the date the options become vested options or such period as extended by the Compensation committee.

The fair value of equity-settled award is estimated on the date of grant with the following assumptions:

Particulars	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan	ESOP Plan
Grant Date	19-02-2022 (Vest 2)	19-02-2022 (Vest 1)	20-1-2022	24-11-2021 (Vest 2)	24-11-2021 (Vest 1)	09-Jul-21
Weighted average share price* (₹)	105.35	105.35	105.35	52.66	52.66	52.66
Exercise price (₹)	1	1	1	1	1	1
Expected volatility (%)	38.63%	41.35%	38.79%	37.03%	39.36%	38.84%
Expected life of the option (years)	4.74	3.74	3.65	4.5	3.5	3.5
Expected dividends (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (%)	5.71%	5.37%	5.37%	5.55%	5.18%	5.29%
Weighted average fair value as on grant date* (₹)	104.59	104.53	104.53	52.66	52.66	52.66

*The aforementioned shares are post subdivision of equity shares (refer note 11).

A summary of the general terms of grants under stock option plan

Name of Plan	Number of options reserved under the plan as at March 31, 2022	Number of options reserved under the plan as at March 31, 2021	Number of options reserved under the plan as at April 1, 2020
PayMate Employees Stock Option Plan-I 2014*	2,18,95,000	1,81,20,000	1,81,20,000

*The aforementioned shares are post subdivision of equity shares (refer note 11).

The outstanding position as at each year end are summarised below:

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Outstanding at the beginning of the period /year	**1,03,66,150**	**50,13,200**	**36,69,300**
Granted during the period/year	41,82,700	55,47,740	13,43,900
Exercised during the period/year	31,30,230	-	-
Modification during the period/year	-	-	-
Expired during the period/year	-	-	-
Forfeited during the period/year	1,47,980	1,94,790	-
Outstanding at the end of the period/year	**1,12,70,640**	**1,03,66,150**	**50,13,200**
Exercisable at the end of the period/year	64,22,030	43,17,090	35,16,790

*The aforementioned shares are post subdivision of equity shares (refer note 11).

The following table summarises information about outstanding stock options:

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Number of options*	1,12,70,640	1,03,66,150	50,13,200
Weighted average remaining life (months)	4	4	2.10

*The aforementioned shares are post subdivision of equity shares (refer note 11).

The fair value of the awards are estimated using the Black-Scholes Model for time and non-market performance-based options.

The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest.

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31 Additional information as required under Schedule III of the Companies Act, 2013 of entities Standalone as subsidiaries

	As at March 31, 2022		As at March 31, 2021	
	Net Assets, i.e. total assets		Net Assets, i.e. total assets	
	As % of Standalone net assets	Amount	As % of Standalone net assets	Amount
A. Parent Company				
Paymate India Private Limited	115.98%	537.71	119.85%	206.21
B. Subsidiaries incorporate outside India		-		-
Paymate Payment Services Provider LLC	1.28%	5.96	-8.11%	(13.96)
PayMate Inc	-10.51%	(48.74)	-28.33%	(48.74)
C. Consolidation adjustments	-6.75%	(31.29)	16.59%	28.54
		463.64		172.05

	As at March 31, 2022		As at March 31, 2021	
	Share in profit/(loss)		Share in profit/(loss)	
	As % of Standalone profit	Amount	As % of Standalone profit	Amount
A. Parent Company				
Paymate India Private Limited	92.96%	(537.34)	94.18%	(264.26)
B. Subsidiaries incorporate outside India				
Paymate Payment Services Provider LLC	7.72%	(44.64)	6.08%	(17.06)
PayMate Inc	0.00%	-	0.00%	-
C. Consolidation adjustments	-0.68%	3.92	-0.26%	0.72
		(578.06)		(280.60)

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32 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2022 , March 31, 2021 & April 01, 2020 is as follows:

Particulars	Amortised cost		
	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Financial assets			
Trade receivable	57.40	8.05	13.33
Cash and cash equivalents	38.48	30.15	106.76
Other bank balances	7.34	10.31	64.42
Loans	-	-	-
Other financial assets	313.69	35.99	62.02
Total assets	**416.91**	**84.50**	**246.53**
Financial liabilities			
Lease liabilities	15.33	19.17	22.07
Trade payables	26.24	4.86	5.96
Total liabilities	**41.57**	**24.03**	**28.03**

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

Level 1 - Quoted prices (unadjusted) in active markets for identical
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
There have been no transfers among Level 1, Level 2 and Level 3 during the year.

B. Financial risk management

The Group activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising	Measurement	Management
Credit risk	Trade receivables, security deposits, bank deposits and loans.	Ageing analysis. Credit score of customers/ entities.	Monitoring the credit limits of customers and obtaining security deposits
Liquidity risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Senior Management.	Working capital management by Senior Management. The excess liquidity is channelised through bank deposits.

The Group's risk management is carried out by the Senior Management under policies approved by the Board of Directors. The Board of Directors provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk and liquidity risk.

Risk management framework

The Group's board of directors have overall responsibility for the Group's risk management framework. The board of directors are responsible for developing and monitoring the Group's risk management policies. The board of directors monitors the compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's risk management policies are to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from top customer	2,276.30	594.12
Revenue from top 5 customers (other than above customer)	5,139.54	1,677.59

One customer accounted for more than 19% of the revenue for the year ended March 31, 2022. One customer accounted for more than 17% of the revenue for the year March 31, 2021.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities.

As at March 31, 2022

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	15.33	5.05	10.28	-	15.33
Trade payables	26.24	22.51	3.73	-	26.24
Total	41.57	27.56	14.01	-	41.57

As at March 31, 2021

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	19.17	3.84	15.33	-	19.17
Trade payables	4.86	4.80	0.06	-	4.86
Total	24.03	8.64	15.39	-	24.03

As at 1 April 2020

	Carrying value	Less than 1 year	1-5 years	More than 5 years	Total
Lease liabilities	22.07	2.90	19.17	-	22.07
Trade payables	5.96	5.70	0.26	-	5.96
Total	28.03	8.60	19.43	-	28.03

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Foreign Currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the Group management believes that the payables in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2022 , March 31, 2021 & April 01, 2020.

Particulars	As at	Amount in USD	INR (in MM)
Assets - Trade receivables			
	31-Mar-22	8,288.83	0.63
	31-Mar-21	92,842.85	6.74
	01-Apr-20	-	-

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in INR against the USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A negative number below indicates an decrease in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Impact on profit or (loss) for the period / year in case on 5% strengthening of INR	(0.03)	(0.34)
Impact on profit or (loss) for the period / year in case on 5% weakening of INR	0.03	0.34

Capital management

The Group's objective when managing capital is to safeguard its ability to continue as going concern so that the Group is able to provide minimum return to share holders and benefit for other stakeholders; and maintain an optimal capital structure to reduce the cost of capital.

The Group maintains its financial framework to support the pursuit of value growth for shareholders, which ensuring a secure financial base. In order to maintain or adjust the capital structure, the Group may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of debt and total equity of the Group.

The Group's management review the capital structure of the Group on quarterly basis. As part of the review, the management considers the cost of capital and the risks associated with each class of capital requirements and maintenance of adequate liquidity.

Gearing Ratio (Net Debt to Equity Ratio)

Particulars	As at		
	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Debt	-	-	-
Less: Cash & Bank Balances	38.48	30.15	106.76
Net Debt	(38.48)	(30.15)	(106.76)
(a) Share capital	1,896.49	1,414.16	1,391.04
(b) Other Equity	(1,432.85)	(1,242.11)	(1,042.08)
Total Equity	463.64	172.05	348.96
Net Debt to total equity ratio (without considering other Equity)	-	-	-
Net Debt to total equity ratio (considering other Equity)	-	-	-

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33 Revenue from contract with customers

Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Income from sale of services	12,088.90	3,484.00
	12,088.90	3,484.00
India	12,070.04	3,392.61
Outside India	18.86	91.39
	12,088.90	3,484.00
Timing of revenue recognition		
Services transferred over time	-	-
Services transferred at a point of time	12,088.90	3,484.00
Total revenue from contracts with customers	12,088.90	3,484.00
Reconciliation of revenue recognised with the contracted price is as follows:		
Contract price	12,088.90	3,484.00
Less: Discounts and disallowances	-	-
Total revenue from contracts with customers	12,088.90	3,484.00

Contract balances

Particulars	As at March 31, 2022	As at March 31, 2021	As at 1 April 2020
Trade receivables	57.40	8.05	13.33
Contract assets	-	-	-
Contract liabilities	-	-	-

The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Group does not have any unhedged foreign currency exposure as at 31 March 2022.

34 For the year ended March 31, 2020, though the consolidated IGAAP financial statement were approved by the board of directors vide meeting dated December 29,2020, such consolidated IGAAP financial statements were not placed before the shareholders for adoption in the annual general meeting held on December 31st,2020. March 31st, 2020 was the first year when consolidation was applicable. Consolidated IGAAP financial statements for the Year ended March 31,2021 were not prepared by the management accordingly the same could not be subjected to audit. Also necessary approval / adoption by the board of directors and shareholders in the annual general meeting could not be done. Thereafter, the previous auditors resigned on November 24th , 2021, leaving a deadlock situation for the company. These are non-compliances of sections 129, 134 and 137 of the Companies Act, 2013. In order to regularise such non compliances, Management subsequently filed an application with the Registrar of Companies, Mumbai on May 13th , 2022 to seek condonation and steps taken as mentioned below: •

a.Adoption of March 31,2020 IGAAP consolidated financial statements in ensuing general meeting

b.Appointment (in the shareholders meeting) of an independent chartered accountant firm to conduct the audit of IGAAP consolidated financial statements for the Year ended March 31,2021 for necessary adoption / approval by the board of directors and shareholders

c.Refiling of necessary forms with Registrar of Companies

d.Further the management has obtained an independent legal opinion from an eminent legal counsel to assess the penal consequences in respect of such defaults and whether the steps taken by the company in this regard are adequate. Based on such legal opinion and management's assessment, the steps taken by the Company are reasonable and defaults are compoundable under the Act. Further the impact of such defaults is not expected to be material. As a matter of abundant caution maximum penalty is fully provided for in the books of account

35 **Details of Benami Property held**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

36 **Relationship with Struck off Companies** under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

37 **Registration of charges or satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

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38 **Utilisation of Borrowed funds and share premium:**

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b)provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

39 **Undisclosed income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

40 **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

41 **The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

42 **Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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43 Ratios as per the Schedule III requirements

a) Current Ratio (Current Assets divided by Current Liabilities)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Assets (A)	571.63	163.86
Current Liabilities (B)	138.96	41.47
Ratio (C=A/B)	4.11	3.95
% Change from previous period / year	4%	

Note on Variance:
The increase in current ratio from March 31, 2021 to March 31, 2022 was primarily on account of the security deposit provided to Bennett Coleman and Company Limited of ₹ 175.43 million and share issue expenses of ₹ 85.08 million.

b) Debt Equity ratio (Total debt divided by Total equity where total debt refers to sum of current & non current borrowings):

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total debt (A)	-	-
Total equity (B)	463.64	172.05
Ratio (C=A/B)	-	-
% Change from previous period / year	0%	

c) Return on Equity Ratio / Return on Investment Ratio (Net profit after tax divided by Total Equity)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax (A)	(577.37)	(281.12)
Total equity (B)	463.64	172.05
Ratio (C=A/B)	-124.53%	-163.39%
% Change from previous period / year	24%	

Note on Variance:
The return on equity has increased in March 2022 as compared to March 2021 mainly due to Rs. 425 million capital raised in FY 2021-22.

d) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations (A)	12,088.90	3,484.00
Average Trade Receivables (B)	32.73	10.69
Ratio (C=A/B)	369.41	325.91
% Change from previous period / year	13%	

e) Trade payables turnover ratio (Credit purchases divided by Average trade payables)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Credit Purchases (A)	12,074.79	3,485.08
Average Trade Payables (B)	15.51	5.41
Ratio (C=A/B)	778.50	644.19
% Change from previous period / year	21%	

Note on Variance:
This ratio has improved from 644.19 in March 2021 to 778.50 in March 2022 mainly due to better working capital management.

f) Net capital Turnover Ratio (Revenue divided by Net Working capital (current assets - current liabilities)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations (A)	12,088.90	3,484.00
Net Working Capital (B)	432.67	122.39
Ratio (C=A/B)	27.94	28.47
% Change from previous period / year	-2%	

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g) Net profit ratio (Net profit after tax divided by Revenue)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax (A)	(578.06)	(280.60)
Revenue from Operations (B)	12,088.90	3,484.00
Ratio (C=A/B)	-4.78%	-8.05%
% Change from previous period / year	41%	

This ratio has improved from -8.05% in March 2021 to -4.86% in March 2022 mainly due to increase in sales which was due to increase in the business volumes in terms of products mix, and new customers & markets and improved profitability margins.

h) Return on Capital employed (Adjusted Earnings before interest and taxes Less other income divided by Capital Employed)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax (A)	(577.37)	(281.12)
Add: Finance Costs (B)	2.83	2.25
EBIT (C) = (A)+(B)	(574.54)	(278.87)
Less: Other Income (D)	3.31	4.38
Adjusted EBIT ('E) = ('C)-(D)	(577.85)	(283.25)
Total Equity (F)	463.64	172.05
Return on Capital Employed (G=E/F)	-124.63%	-164.63%
% Change from previous period / year	24%	

The return on capital employed has increased in March 2022 as compared to March 2021 mainly due to Rs. 425 million capital raised in FY 2021-22.

i) Return on investment

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net profit after tax (A)	(578.06)	(280.60)
Average Total Assets (B)	432.01	349.70
Ratio (C=A/B)	-133.81%	-75.36%
% Change from previous period / year	-78%	

The return on investment has dcreased in March 2022 as compared to March 2021 mainly due to decrease in Earnings before interest and taxes (EBIT) which is due to higher cost of employee benefit expenses and losses at gross margin level.

44 Previous years figures have been reclassified/regrouped wherever necessary to correspond with the current year classification (or) disclosures.

As per our report attached
For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date : August 22, 2022

For and on behalf of the Board of Directors
PayMate India Limited

Ajay Adiseshan
Chairman and Managing Director
DIN: 00099023

Vishvanathan Subramanian
Whole Time Director and CFO
DIN: 02153545

Nanda Harish
General Counsel, Company Secretary
and Compliance Officer (ACS: 15495)

Place: Mumbai
Date : August 22, 2022