Annual Report 2020-21

MobiKwik

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Contents

ONE MOBIKWIK SYSTEMS LIMITED
(Formerly known as One MobiKwik Systems Private Limited)

BOARD'S REPORT

Dear Member(s),

The Board of Directors has pleasure in submitting their 13th Report with Financial Statement on the business and operations of your Company for the financial year ended March 31, 2021. The overall performance of the company is outlined below:

FINANCIAL PERFORMANCE

The standalone and consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2020, the Company prepared its standalone and financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

These standalone and consolidated financial statements for the year ended March 31, 2021 are the first the Company has prepared in accordance with Ind AS. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), for purposes of Ind AS 101(First Time Adoption of Indian Accounting Standard). Refer to Note 41 of the standalone financial statements for the year ended 31 March 2021 for detailed information on how the Company transitioned to Ind AS.

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

('Amount in ₹ Million')

Particulars	Standalone		Consolidated	
	FY 2021	**FY 2020**	**FY 2021**	**FY 2020**
Revenue from Operations	2,709.51	3,056.29	2,885.71	3,556.75
Other Income	207.16	217.60	136.85	141.79
Total Income	**2,916.67**	**3,273.89**	**3,022.56**	**3,698.54**
Employee Benefit Expenses	521.35	656.88	530.31	656.89
Finance Costs	71.44	104.84	71.35	107.14
Depreciation and amortisation expenses	13.10	26.60	13.14	26.99
Impairment of investments	-	61.42	-	-
Impairment of goodwill	-	-	-	48.63

Other Expenses	3,387.46	3,445.39	3,510.39	3,839.39
Total Expenses	**3,993.35**	**4,295.13**	**4,125.19**	**4,679.04**
Earning before interest, tax, depreciation and amortisation (EBITDA)	(992.14)	(889.80)	(1018.14)	(846.37)
Profit/(Loss) before tax	(1,076.68)	(1,021.24)	(1,102.63)	(980.50)
Total Tax Expenses	-	-	10.37	18.70
Profit/(Loss)for the year	(1,076.68)	(1,021.24)	(1,113.00)	(999.20)
Other Comprehensive(loss)/ income for the financial year	3.02	7.55	3.02	7.55
Total Comprehensive income/(loss) for the financial year	**(1,073.66)**	**(1,013.69)**	**(1,109.98)**	**(991.65)**
Earnings/(Loss) per Equity Share (₹)	(21.46)	(20.90)	(22.18)	(20.45)

REVIEW OF OPERATIONS

Your group's revenue from operations is ₹ 2,885.71 million during the year under review as against ₹ 3,556.75 million during the previous financial year, a de-growth of around 18.9% year on year. The total income decreased by around 18.28 % from ₹ 3,698.54 million in FY 2020 to ₹ 3,022.56 million in FY 2021.

Operating EBITDA, for the year, recorded a decrease of around 16.87 % over previous year and stood at ₹ (1,018.14) million in comparison with ₹ (846.37) million in FY 2020. Profit before tax (PBT) from ordinary activities (before exceptional items) is ₹ (1102.63) million in FY 2021 as against ₹ (980.50) million in FY 2020.

AMOUNT TRANSFERRED TO RESERVES

The Company has not transferred any amount to the Reserves for the financial year ended March 31, 2021.

DIVIDEND

The Board of Directors did not recommend dividend for the financial year ended March 31, 2021.

MATERIAL CHANGES AND COMMITMENTS

A sheet on Material Changes and Commitments affecting the financial position of the Company which have occurred between the end of the financial year ended March 31, 2021 and at the date of this Report is hereunder:

Sr No.	Particulars	Remarks
1.	Capital Structure	Number of Allotments (In cash)

S.No.	Name of Offerees	Number of Shares	Price per Share (In ₹)
1.	Leposhe Trading Enterprises LLP	5,864 CCCPS	12,450
2.	Vijay Kedia	2,932 CCCPS	12,450
3.	Bharat Vinod Daftary	2,410 CCCPS	12,450
4.	Deepan Kapadia	1,486 CCCPS	12,450
5.	Madhavi Srihari	1,462 CCCPS	12,450
6.	Sundar Ram Enterprise Pvt. Ltd.	1,462 CCCPS	12,450
7.	Aryana Trust (acting through its Trustee Rajesh Subramaniam)	1,173 CCCPS	12,450
8.	Satya Srini Vasan	804 CCCPS	12,450
9.	Ankur Healthcare Pvt. Ltd.	804 CCCPS	12,450
10.	S. Sambath Kumar	804 CCCPS	12,450
11.	Siddharth Aloke Choudhary	402 CCCPS	12,450
12.	Khattar Holdings Pte. Ltd.	4790 CCCPS	15,556
13.	Dheeshjith G Vattaparambil	4500 CCCPS	15,556
14.	Padma Lochan Mohanty	1286 CCCPS	15,556
15.	Phani Kumar Mantha	322 CCCPS	15,556
16.	Vijaya Kamesh Mantha	322 CCCPS	15,556
17.	Vardhman Holdings Ltd.	964 CCCPS	15,556
18.	DMI Alternative Investment Fund – The Sparkle Fund	9642 CCCPS	15,556

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<tr><td>19.</td><td>Abu Dhabhi Investment Authority</td><td>1 Equity Share

83165 Series G CCCPS</td><td>17,916</td></tr>
</table>

NUMBER OF ALLOTMENTS (other than cash)

<table>
<tr><th>S.No.</th><th>Name of Offerees</th><th>Number of Shares</th><th>Price per Share (In ₹)</th></tr>
<tr><td>1.</td><td>Bajaj Finance Limited</td><td>15,389 CCCPS</td><td>3932 CCCPS @8234

7538 @ 10,030

3919 @12350</td></tr>
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<tr>
<td>2.</td>
<td>Management Control</td>
<td>There has been no change in Management Control of the Company.</td>
</tr>
<tr>
<td>3.</td>
<td>Conversion/Status of Company</td>
<td>The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on June 23, 2021, and consequently the name of the Company has changed to One MobiKwik Systems Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on June 25, 2021.</td>
</tr>
<tr>
<td>3.</td>
<td>Changes in Office of Key Managerial Personnel</td>
<td>Mr. Bipin Preet Singh was appointed as Managing Director & Chief Executive Officer of the Company for period of three years w.e.f. June 23, 2021.

Ms. Upasana Rupkrishan Taku was appointed as Whole Time Director and Chief Operating Officer of the Company, for period of three years w.e.f. June 23, 2021.

Mr. Chandan Joshi appointed as Whole Time Director, for period of three years w.e.f. June 23, 2021.

Mr. Dilip Bidani joined the Company on June 16, 2021 and thereafter the Board of Directors at its meeting held on June 29, 2021 appointed him as Chief Financial Officer of the Company.

Mr. Rahul Luthra has been appointed as Company Secretary and Compliance Officer w.e.f. April 17, 2021.

Mr. Rohit Shadeja resigned from position of Company Secretary w.e.f. April 17, 2021.</td>
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</table>

		Mr. Dhruv Chopra, resigned from the position of nominee director on April 15, 2021.
4.	Terms and Conditions of Loan	No Change
5.	Change in Method of Depreciation	No Change
6.	Change in Method of Accounting	No Change
7.	Adjustment of share premium account	Your Company had accumulated amount outstanding in its securities Premium Account, which has been capitalized by issuing fully paid-up Bonus shares to the to the eligible share/ securities holders of the Company.
8.	Sub-division of Shares	The Board of Directors and Shareholders of the Company of the Company at their meeting held on June 20, 2021 and June 21, 2021 respectively, have approved sub-division of nominal value and paid-up value of (Authorized, Issued, Subscribed and paid-up) of the company from 1 (One) equity share of ₹ 10/- [Rupees ten only] each into 5 (Five) Equity shares of ₹ 2/- (Rupees Two only) each.
9.	Bonus on Equity Shares of Company	The Board of Directors and Shareholders of the Company of the Company at their meeting held on June 20, 2021 and June 21, 2021 respectively, approved capitalization of securities premium of the Company for issuance of 3:1 Bonus on fully paid equity shares having face value of Rs. 2/- per share.

FINANCIAL SUMMARY/HIGHLIGHTS:

(I) Total Income

Standalone

On account of Country wide lockdown due to Covid-19, total income (including other income) on a standalone basis has decreased to ₹ 2,916.67 million - as compared to ₹ 3,273.89 million in the previous financial year.

Consolidated

Company's total income (including other income) on a consolidated basis has decreased to ₹ 3,022.56 million as compared to ₹ 3,698.54 million in the previous financial year.

(II) Future Prospects -

The Directors of our company are expecting to generate further revenue from business operations in near future.

(III) Disclosure on changes in Nature Company's Business

(A) There is no change in the nature of business of the company.
(B) There is no change in the class of business in which the company has interest.
(C) There is no change in Joint Ventures structure of the Company during the year.

(IV) Details of Directors or key managerial personnel who were appointed or have resigned during the year:

S. No	Name & Designation	Appointment or resignation/change in Designation	Effective Date
1.	Ganesh Mohan – Nominee Director	Resignation	March 16, 2021
2.	Ryu Muramatsu – Nominee Director	Resignation	March 25, 2021

(V) Names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year along with reasons therefore: N/A

(VI) Details relating to deposits covered under Chapter V of the Act:

Sr. No.	Particulars	Amount (in ₹)
1.	Accepted during the year	Nil
2.	Remained unpaid or unclaimed as at the end of the year	Nil
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: at the beginning of the year Maximum during the year at the end of the year	NA
4.	Details of deposits which are not in compliance with the requirements of Chapter V of the Act	NA

(VII) Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders were passed by any regulators or courts or tribunals which impact the going concern status and company's operations in future.

STATEMENT OF AFFAIRS

Information and Data pertinent for proper appreciation of the state of affairs of a company are mentioned below.

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Remarks</th></tr>
<tr><td>(i)</td><td>Standalone and Consolidated financial Statements</td><td>Standalone Financial Statement and Consolidated Financial Statement are annexed to this report.</td></tr>
<tr><td>(ii)</td><td>Further issue of capital or debentures, if any;</td><td>NUMBER OF ALLOTMENTS DURING THE FINANCIAL YEAR (in cash)
<table>
<tr><th>Sr. No.</th><th>Name of the Offerees</th><th>Number of Subscription Shares</th><th>Investment (in ₹)</th></tr>
<tr><td>1.</td><td>Hindustan Media Ventures Ltd.</td><td>Series E7 CCCPS</td><td>41,49,91,250</td></tr>
<tr><td>2.</td><td>Pratithi Investment Trust (acting through its trustee S. Gopalakrishnan)</td><td>Series E8 CCCPS</td><td>9,99,99,100</td></tr>
<tr><td>3</td><td>Elizabeth Mathew</td><td>12048 CCCPS</td><td>14,99,97,600</td></tr>
<tr><td>4</td><td>Mauryan First</td><td>7229 CCCPS</td><td>9,00,01,050</td></tr>
<tr><td>5</td><td>Orios Select Fund I</td><td>6025 CCCPS</td><td>7,50,11,250</td></tr>
<tr><td>6</td><td>Vineet Kulbandhu Sharma</td><td>5871 CCCPS</td><td>7,30,93,950</td></tr>
<tr><td>7</td><td>Rajesh K Parikh HUF (acting through its Karta Rajesh K. Parikh)</td><td>1174 CCCPS</td><td>1,46,16,300</td></tr>
<tr><td>8</td><td>Infinity Alternative Advisors LLP</td><td>1174 CCCPS</td><td>1,46,16,300</td></tr>
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<tr><td>9</td><td>Atul Bhushan Hajela</td><td>734 CCCPS</td><td>91,38,300</td></tr>
<tr><td>10</td><td>S. Vijayaraghavan</td><td>587 CCCPS</td><td>73,08,150</td></tr>
<tr><td>11</td><td>Punita Kumar Sinha</td><td>401 CCCPS</td><td>49,92,450</td></tr>
<tr><td>12</td><td>Anupam Mittal</td><td>402 CCCPS</td><td>50,04,900</td></tr>
<tr><td>13</td><td>Manas Tamotia</td><td>121 CCCPS</td><td>15,06,450</td></tr>
<tr><td>14</td><td>Vega Tamotia</td><td>121 CCCPS</td><td>15,06,450</td></tr>
</table>
NUMBER OF ALLOTMENTS DURING THE FINANCIALYEAR (other than cash)
<table>
<tr><th>Sr. No.</th><th>Name of the Offerees</th><th>Number of Shares</th></tr>
<tr><td>1.</td><td>Bajaj Finance Ltd.</td><td>12754 Series E3 CCCPS</td></tr>
<tr><td>2.</td><td>Bajaj Finance Ltd.</td><td>10190 Series E3 CCCPS</td></tr>
</table>
</td></tr>
<tr><td>(iii)</td><td>Change in accounting year, if any;</td><td>There is no change in the accounting year of the company.</td></tr>
<tr><td>(iv)</td><td>Major capital expenditure programs;</td><td>No Major Capital expenditure was done by the Company during the Financial year 2020-2021.</td></tr>
<tr><td>(v)</td><td>Business prospects including programs of acquisition, mergers, expansion, modernization and diversification;</td><td>The Directors of the company are expecting to generate more revenue from business operations in near future, During the reporting period there were no acquisition, mergers, expansion, modernization and diversifications.</td></tr>
<tr><td>(vii)</td><td>Development, acquisition and assignment of intellectual property rights (IPR’s);</td><td>There were no Development, acquisition and assignment of intellectual property rights (IPR’s) during the reporting period.</td></tr>
</table>

COMPOSITION OF BOARD OF DIRECTORS

Following is the Composition of the Board of Directors of the Company as on March 31, 2021:

Sr. No.	Name	Designation
1.	Bipin Preet Singh (DIN:02019594)	Managing Director
2.	Upasana Rupkrishan Taku (DIN:02979387)	Director
3.	Dhruv Chopra (DIN:06701038)	Nominee Director

DISQUALIFICATION OF DIRECTORS

Pursuant to Section 164 of the Companies Act, 2013 none of the Directors have incurred any disqualification on account of non-compliance with any of the provisions of the Act.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors duly met 16 (Sixteen) times during the F.Y 2020-21.

DISCLOSURE AS PER SECRETARIAL STANDARDS-2

During the Financial year 2020-2021 Annual General Meeting was held on December 31, 2020 and 7(Seven) Extra-ordinary General Meetings were held.

STATEMENT FOR COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

During the Financial Year 2020-2021, all the compliances of the applicable Secretarial Standards i.e. SS-1 and SS-2 have been duly compiled with by the Company.

THE WEB ADDRESS/LINK, WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 WILL BE PLACED

The Annual Return will be placed at the below Web Address/Link of the Company:
www.mobikwik.com

EXTENSION OF TIME FOR HOLDING OF ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

The Registrar of Companies, NCT of Delhi & Haryana issued a Notification No. ROC/ Delhi/ AGM Ext./2020/11538 dated 08.09.2020 and extended the time for holding of Annual General Meeting for the Financial Year ended on March 31, 2020 by a period of three months from the due date by which the AGM ought to have been held in accordance with the provisions of sub-section(1) to section 96 of the Act,2013.

Therefore, the Company convened its Annual General Meeting on December 31, 2020 pursuant to the above-mentioned notification.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section134 (3) & (5) of the Companies Act, 2013, Directors' Responsibility Statement State that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Loss of the company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not given any loan or provided any Guarantees or security to any person or entity a s per in Section 186 of the Act. For details refer Note no. 6 and 7 of standalone Financial Statement for the Financial Year 2020-21.

During the year under review the Company hasn't granted Loan any new loan to its wholly owned subsidiaries.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the period the Company has not entered into Contract and Arrangements with the Related Parties as per Section 188 of the Companies Act, 2013 and Rules made there under. However, during the Financial Year 2020-21 the Company has done certain transactions with its Related Party. Disclosure required pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in FORM NO. AOC -2 is enclosed with this Board Report as ***Annexure- 1***

EXTRACT OF ANNUAL RETURN

Extract of the Annual Return as provided under Section 92(3) of Companies Act, 2013 in **Form MGT-9** is enclosed as an ***Annexure- 2***.

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP (FRN: 117366W/W-100018), Chartered Accountants were appointed as Statutory Auditors of the Company at Annual General Meeting held on September 30, 2015 to hold office till the conclusion of the Annual General Meeting to be held for the financial year ended on March 31, 2020.

The term of Deloitte Haskins & Sells LLP expired at the Annual General Meeting held on December 31, 2020. Board in their meeting held on December 29, 2020 recommended the appointment of B S R & Associates LLP, Chartered Accountants, (Firm Registration No: 116231W/W-100024) as the Statutory Auditors of the Company and the shareholders of the company approved the appointment of B S R & Associates LLP, Chartered Accountants at the Annual General Meeting of the Company held on December 31, 2020, for a term of 5 (Five) consecutive years, i.e. to hold office from the conclusion of the 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting of the Company.

The report of the Statutory Auditor forms part of the Annual Report. The following qualification, reservation, adverse remarks or disclaimer:

As set out in Note 37 to the standalone financial statements, during the year ended 31 March 2018 and 31 March 2017, out of proceeds of INR 707.50 million and INR 472.52 million, respectively, received by the Company by way of preferential allotment of preference shares, the Company had not kept INR 451.73 million and INR 100 million from respective years proceeds in a separate bank account and inadvertently utilised these amounts for payment towards business purposes before allotment of shares to the investors in contravention of section 42 of the Companies Act, 2013. Subsequent to year end 31 March 2021, on 19 April 2021, the Company has filed an application before the Regional Director (Northern Region), Registrar of Companies, Delhi and Haryana for compounding of this contravention. Pending regularisation of the above non-compliance, it is not possible to quantify the extent to which liability, if any, may materialise on the Company and its consequential impact on these standalone financial statements, on the regularisation of this non-compliance.

Response:

The Board believes that by allotting shares to respective investors, is in overall intent spirit, and of Section 42 of the Companies Act, 2013. Further, subsequent to year ended 31 March, 2021, on April 19, 2021, the Company has also filed an application before the Regional Director (Northern Region) for compounding of these non-intentional non- compliances under section 441 of the Companies Act, 2013, read with section 42 & 450 of the Companies Act, 2013.

<u>Internal Auditor</u>

PGR & Associates, Chartered Accountants were appointed as the internal auditors of the Company for the financial Year 2020-21. They have conducted the internal audits for the financial year 2020-21 and no significant observations have been reported by the Internal Auditor.

EXPLANATION/COMMENTS ON AUDITOR'S REPORT BY THE BOARD

Auditor's comments on the accounts are self-explanatory and have been fully explained in the Notes to the accounts annexed to the statement of account.

MAINTENANCE OF COST RECORDS UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

Maintenance of Cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not required as it is not applicable to the Company.

EXPLANATION/COMMENTS ON COST AUDIT REPORT

It may be noted that Cost Audit was not conducted as this is not applicable to the Company.

DETAILS/DISCLOSURES IN RESPECT OF FRAUDS REPORTED BY THE AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, the Auditor of the company has not reported an offence of fraud under section 143(12) of the Companies Act, 2013 against the company by its officers or employees. Hence, details/disclosures in respect of frauds reported by the auditors are not required to be disclosed in the Board report.

RISK MANAGEMENT FRAMEWORK

The Company has in place a Risk Management framework to identify, evaluate business risks and challenges across the Company.

INTERNAL FINANCIAL CONTROLS

The Company's internal control systems are supplemented by an internal audit program conducted by an independent professional agency. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements and for maintaining accountability of assets. During the year, such controls were tested and no reportable material weaknesses in controls were observed.

DISCLOSURES IN RESPECT OF VOTING RIGHTS

{Pursuant to Section 67(3) (c) of the Companies Act, 2013}

A disclosure in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates as per prescribed format under **Companies (Share Capital and Debentures) Rules, 2014** is **Not Applicable** to the Company.

REVISION OF FINANCIAL STATEMENT OR BOARD REPORT

{Pursuant to Section 131(1) of the Companies Act, 2013}

The Board of Directors had not revised the Financial Statement of the Company or the report of the Board in respect of any of the three preceding Financial Years.

DISCLOURE UNDER SECTION 43(A)(ii) & SECTION 54 (1)(D) OF COMPANIES ACT,2013

During the financial year under review, the Company has not issued any shares with differential voting rights and sweat equity shares and hence, no information as required under Section 43(a)(ii) & Section 54(1)(d) of the Act read with applicable rules is required to be disclosed.

DISCLOSURE PURSUANT TO EMPLOYEE STOCK OPTION AND EMPLOYEE STOCK PURCHASE SCHEMES

The Company established the Employee Stock Option Scheme, 2014 (ESOP 2014) which was approved by the shareholders vide their Special Resolution dated August 05, 2014. Under the Plan, the Company was authorized to issue upto 1,28,912 equity shares of ₹ 10/- each to eligible employees. Employees covered by the plan are granted an option to purchase shares of Company subject to the requirement of vesting.

Board has changed some clauses of existing MobiKwik Employee Stock Option Plan, 2014 ("ESOP Plan 2014") and now the Board is authorized to issue up to 2,28,213 Equity shares of ₹ 10 each to eligible employees. This will subsequently be adjusted to reflect the impact of split in face value from Rs 10 per equity share to Rs 2 per share and the bonus issue made in June 2021 in the ratio of 3 equity shares for every 1 equity share held.

The Disclosure required pursuant to the Companies (Share Capital and Debentures) Rules, 2014 is given below:

Particulars	Details
(a) options granted;	19,154
(b) options vested;	48,628
(c) options exercised;	-
(d) the total number of shares arising as a result of exercise of option;	-
(e) options lapsed;	5,139
(f) the exercise price;	Ranging from ₹ 7,307 to ₹ 8,024
(g) variation of terms of options;	N/A
(h) money realized by exercise of options;	-
(i) total number of options in force;	1,28,818

(j) employee wise details of options granted to;-	Refer table below
(i) key managerial personnel;	
(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	
(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	

Name and Designation	No. of Options Granted	No. of Options lapsed / cancelled	No. of Options Exercised	No. of options outstanding
Key Management Personnel				
Rohit Shadeja	182	-	-	182
Employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year				
Fiscal Year ending March 2020				
Kunal Rajan Bajaj	30,453	-	-	30,453
Fiscal Year ending March 2021				
Chandan Joshi	8,758	-	-	8,758
Chirag Jain	1,994	-	-	1,994
Gaurav Malhotra	1,994	-	-	1,994
Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
Fiscal Year ending March 2020				
Kunal Rajan Bajaj	30,453	-	-	30,453

REDEMPTION OF SHARES AND DEBENTURES

Details of redemption of debentures or preference shares:	The non-convertible debentures of ₹ 300 million issued by company to

	Trifecta Venture Debt -1 has been redeemed partly and reduced to ₹ 25.45 million as at March 31, 2021.
Reason for non-redemption of debenture or preference shares on due date	Not Applicable
Details of variation in the rights of any one class of shareholders	Not Applicable

INVESTOR EDUCATION AND PROTECTION FUND

The company is **not required** to transfer any amount to the Investor Education and Protection Fund during the financial year pursuant to the provisions of the **Section 125** of the Act during the year.

CORPORATE SOCIAL RESPONSIBILITY POLICY & INITIATIVES

The Company is not required to constitute a Corporate Social Responsibility as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on Corporate Social Responsibility.

DISCLOSURE PERTAINING TO CONSOLIDATED FINANCIAL STATEMENTS

The Company is having four wholly owned subsidiaries namely " MobiKwik Finance Private Limited", " MobiKwik Credit Private Limited", "Harvest Fintech Private Limited" and "Zaak ePayment Services Private Limited", however the Company has no associates and joint venture companies within the meaning of the respective Section of the Companies Act, 2013 ("Act) hence a statement containing the salient features of financial statements of subsidiaries in Form AOC-1 prepared pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is attached as ***Annexure-3.***

Further, no other company have become or ceased to be Company's subsidiaries, joint ventures or associate companies as defined under the Companies Act, 2013. A statement containing the salient features of financial statements of subsidiaries is mentioned below:

DISCLOSURE UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

The Company has Four wholly owned subsidiaries, but no associates and joint venture companies within the meaning of the respective Section of the Companies Act, 2013 ("Act"), therefore Report on the highlights of performance of subsidiary company and its contribution to the overall performance of the company is required to be disclosed under Rule 8 of the Companies (Accounts) Rules, 2014 which is as follows.

REPORT ON PERFORMANCE OF THE SUBSIDARY COMPANIES

"MobiKwik Finance Private Limited", "MobiKwik Credit Private Limited", "Harvest Fintech Private Limited" and "Zaak ePayment Services Private Limited" are wholly owned subsidiaries of our

Company. Total Consolidated Income and Profit of the Company and income & profit contributed by the respective Subsidiaries are provided in below mentioned table:

Particulars	Consolidated (in ₹ millions)	Subsidiaries (Standalone) (in ₹ millions)			
	Year ended March 31, 2021	Zaak ePayment Services Pvt Ltd.	MobiKwik Finance Pvt Ltd.	MobiKwik Credit Pvt Ltd.	Harvest Fintech Pvt Ltd.
Revenue from Operations including other Income	3,022.56	1,601.47	2.83	2.83	-
Less: Expenses	4,125.19	1,629.03	0.14	0.10	3.85
Profit /(Loss) Before Tax	(1,102.63)	(27.56)	2.69	2.73	(3.85)

However, the disclosure requirement with regards to the highlights of the performance of the subsidiary company is provided through the above-mentioned Form AOC-1.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Sexual Harassment Policy

Your Company is fully committed to uphold and maintain the dignity of women working in the Company and has zero tolerance towards any actions which may fall under the ambit of sexual harassment at workplace. An Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been constituted and it presently comprises of six members out of which four members are women as on the date of this report.

During the Financial Year **2020-2021**, Meeting of Internal Complaint Committee of the Company was held three times.

In accordance with **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013,** following disclosures are made:

Sr. No	Particulars	Details
1	Number of complaints of sexual harassment received during the Financial year 2020-21.	1
2	Number of complaints disposed off during the Financial year 2020-21.	1

3	Number of cases pending for more than ninety days	Nil
4	Number of workshops or awareness programme against sexual harassment carried out	Nil
5	Nature of action taken by the employer or District Officer	N/A

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No orders have been passed by any Regulators or Courts or Tribunals which has been received by the Company which can have impact on the going concern status and the Company's operation in future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is attached as ***Annexure– 4*** to this Report.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co–operation received from the financial institutions, banks, Government authorities, other stake holders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of
One MobiKwik Systems Limited (formerly known as One MobiKwik Systems Private Limited)

Sd/-
Bipin Preet Singh
Managing Director & CEO
DIN: 02019594
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Sd/-
Upasana Rupkrishan Taku
Whole-Time Director & COO
DIN: 02979387
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Date: July 06, 2021
Place: Gurugram

Annexure -1

FORM AOC - 2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis:

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Harvest Fintech Private Limited (wholly-owned Subsidiary Company and common directors)
2	Nature of contracts/ arrangements /transaction	Availing of Services: Advisory Services/ Advisory cost paid
3	Duration of the contracts/arrangements/transaction	Until termination
4	Salient terms of the contracts or arrangements or transaction including the value, if any	The Company and Harvest Fintech Private Limited has entered into Merchant Agreement dated April 08, 2019 Revenue from processing transactions: Nil
5	Date of approval by the Board	Not Applicable
6	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details

1	Name (s) of the related party & nature of relationship	Zaak ePayment Services Private Limited (wholly-owned Subsidiary Company and common directors)
2	Nature of contracts/ arrangements /transaction	Availing and Rendering of Merchant and Payment gateway Services
3	Duration of the contracts/arrangements/transaction	Until termination
4	Salient terms of the contracts or arrangements or transaction including the value, if any	The Company and Zaak ePayment Services Private Limited has entered into Merchant Agreement dated September 01, 2013 for 3 (three) years which was extended till termination by addendum to Merchant Agreement dated September 05, 2016. INR 1397.26 Million, Payment Gateway Cost, incurred by the Company. Revenue from Processing Transactions : INR. 17.03 Million Expenses Incurred by Company on Behalf of its Subsidiary: INR 61.64 Million.
5	Date of approval by the Board	Not Applicable
6	Amount paid as advances, if any	NIL

For and on behalf of
One MobiKwik Systems Limited (formerly known as One MobiKwik Systems Private Limited)

Sd/-
Bipin Preet Singh
Managing Director & CEO
DIN: 02019594
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Sd/-
Upasana Rupkrishan Taku
Whole-Time Director & COO
DIN: 02979387
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Date: July 06, 2021
Place: Gurugram

Annexure – 2

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2021

Pursuant to Section 92 of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U64201HR2008PLC053766
2.	Registration Date	March 20, 2008
3.	Name of the Company	One MobiKwik Systems Limited (Formerly known as One MobiKwik Systems Private Limited)
4.	Category/Sub-Category of the Company	Public Company Limited by Shares
5.	Address of the Registered office and contact details	5th Floor, Huda City Centre Metro Station, Sector 29, Gurugram, Haryana -122001. Contact Details: +91 (124) 640-9190 Email: cs@mobikwik.com Website- **www.mobikwik.com**
6.	Whether listed Company	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if, any	Link Intime India Pvt. Ltd Address: Noble Heights, 1st floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Contact No. 011 – 4141 0592/93/94 Fax No: 011 – 4141 0591 Email id: delhi@linkintime.co.in Website- **www.linkintime.co.in**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main Products / Services	NIC Code of Product/service	% to total turnover of the company
1.	Other Information Technology & Computer Services Activities n.e.c.	6311	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	Zaak ePayment Services Private Limited	U72300HR2010PTC053765	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
2.	Mobikwik Credit Private Limited	U65990HR2018PTC074364	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
3.	Mobikwik Finance Private Limited	U65993HR2017PTC070450	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013
4.	Harvest Fintech Private Limited	U67190MH2016PTC273077	Wholly owned Subsidiary	100%	Section 2(87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A. Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2020]				No. of Shares held at the end of the year [As on March 31, 2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/ HUF	-	10,00,000	10,00,000	99.503	-	10,00,000	10,00,000	99.503	0.00
b) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00
c) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
d) Bodies Corp.	-	-	-	0.00	-	-	-	0.00	0.00
e) Banks / FI	-	-	-	0.00	-	-	-	0.00	0.00
f) Any other	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (A)(1)	**-**	**10,00,000**	**10,00,000**	**99.503**	**-**	**10,00,000**	**10,00,000**	**99.503**	**0.00**
2. Foreign									
a) NRIs – Individuals	-	-	-	0.00	-	-	-	0.00	0.00
b) Other – Individuals	-	-	-	0.00	-	-	-	0.00	0.00
c) Bodies Corp.	-	-	-	0.00	-	-	-	0.00	0.00
d) Banks / FI	-	-	-	0.00	-	-	-	0.00	0.00
e) Any Other	-	-	-	0.00	-	-	-	0.00	0.00
Sub-Total (A)(2)	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**0.00**	**0.00**
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**-**	**10,00,000**	**10,00,000**	**99.503**	**-**	**10,00,000**	**10,00,000**	**99.503**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00	-	-	-	0.00	0.00

b) Banks / FI	-	-	-	0.00	-	-	-	0.00	0.00
c) Central Govt	-	-	-	0.00	-	-	-	0.00	0.00
d) State Govt(s)	-	-	-	0.00	-	-	-	0.00	0.00
e) Venture Capital Funds	-	-	-	0.00	-	-	-	0.00	0.00
f) Insurance Companies	-	-	-	0.00	-	-	-	0.00	0.00
g) FIIs									
h) Foreign Venture Capital Funds	-	10	10	0.001	0	10	10	0.001	0.00
i) Others									
(i) Alternate Investment Funds	-	-	-	0.00	-	-	-	0.00	0.00
(ii) Foreign Portfolio Investment (Corporate)	-	-	-	0.00	-	-	-	0.00	0.00
Sub-total (B)(1)	**-**	**10**	**10**	**0.001**	**0**	**10**	**10**	**0.001**	**0.00**
2. Non- Institutions									
a) Bodies Corp.									
(i) Indian	-	390	390	0.039	0	390	390	0.039	0.00
(ii) Overseas	-	770	770	0.076	0	770	770	0.076	0.00
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs 1 lakh	-	3824	3824	0.381	0	3824	3824	0.381	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00	-	-	-	0.00	0.00
c) Others									
(i) Foreign Companies	-	-	-	0.00	-	-	-	0.00	0.00
(ii) Hindu Undivided Family	-	-	-	0.00	-	-	-	0.00	0.00
(iii) Non-Resident Indians	-	-	-	0.00	-	-	-	0.00	0.00
(iv) Trusts	-	-	-	0.00	-	-	-	0.00	0.00
(v) Foreign National	-	-	-	0.00	-	-	-	0.00	0.00
(vi) Foreign Portfolio Investors (Individual)	-	-	-	0.00	-	-	-	0.00	0.00
(vii) Clearing Members	-	-	-	0.00	-	-	-	0.00	0.00
(viii) Employee Benefit Trust	-	-	-	0.00	-	-	-	0.00	0.00
Sub-total (B)(2):	**-**	**4984**	**4984**	**0.496**	**0**	**4984**	**4984**	**0.496**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**4994**	**4994**	**0.497**	**0**	**4994**	**4994**	**0.497**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	-	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**-**	**10,04,994**	**10,04,994**	**100**	**0**	**10,04,994**	**10,04,994**	**100**	**0.00**

B. Promoter's Shareholding:

S. No.	**Shareholder's**	**Shareholding at the beginning of the year**	**Shareholding at the end of the year**	**% change**

		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	in share-holding during the year
1.	Mr. Bipin Preet Singh	5,85,000	58.209%	0	5,85,000	58.209%	0	0
2.	Ms. Upasana Rupkrishan Taku	4,15,000	41.294%	0	4,15,000	41.294%	0	0
	Total	**10,00,000**	**99.503%**	**Nil**	**10,00,000**	**99.503%**	**Nil**	0

C. Change in Promoters' Shareholding

S. No.	Promoters	Shareholding at the beginning of the year		Date of Change	Reason of Changes	Cumulative Share-holding during the year	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company*
1.	Mr. Bipin Preet Singh	5,85,000	58.209%	No Change		5,85,000	58.209%
2.	Ms. Upasana Rupkrishan Taku	4,15,000	41.294%	No Change		4,15,000	41.294%
	Total	**10,00,000**	**99.503%**	**0**		**10,00,000**	**99.503%**

** % of Shares of the Company is based on the paid up Capital of the Company at the end of the Year.*

D. Shareholding of Directors and Key Managerial Personnel: **N/A**

V. INDEBTEDNESS

(Indebtedness of the Company including interest outstanding/accrued but not due for payment)

(Amount in INR Million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	715.24	-	-	715.24
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.23	-	-	3.23
Total (i+ ii+iii)	718.47	-	-	718.47
Change in Indebtedness during the financial year				
Addition	31.20	-	-	31.20
Reduction	(192.35)	-	-	(192.35)
Net Change	(161.15)	-	-	(161.15)
Indebtedness at the end of the financial year				
i) Principal Amount	557.01	-	-	557.01
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.31	-	-	0.31

Total (i+ii+iii)	557.32	-	-	557.32

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in INR Million)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Bipin Preet Singh (Managing Director)	Ms. Upasana Rupkrishan Taku (Whole-time Director)	Manager*	
1.	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	13.08	13.08	-	**26.16**
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission -as % of profit -others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	**13.08**	**13.08**	-	**26.16**
	Ceiling as per the Act	N.A.	N.A.		**26.16**

** The Company does not have Manager.*

B. Remuneration to other directors

(Amount in INR Million)

S. No.	Particulars of Remuneration	Name of Directors	Total
1.	**Independent Directors**		
	Fee for attending Board & Committee meetings	-	-
	Remuneration by way of Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2.	**Other Non-Executive Directors**		
	Fee for attending board committee meetings	-	-

	Commission	-	-
	Others, - Training Fee	-	-
	Total (2)	-	-
	Total (B) = (1+2)	-	-
	Total Managerial Remuneration Total=(A+B)	-	-
	Overall Ceiling as per the Act (Within the limit)	-	-

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager WTD

(Amount in INR Million)

Sl. No.	**Particulars of Remuneration**	**Key Managerial Personnel**		
		Chief Financial Officer	**Rohit Shadeja (Company Secretary)**	**Total**
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2.26	**2.26**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit -others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**-**	**2.26**	**2.26**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of
One MobiKwik Systems Limited (formerly known as One MobiKwik Systems Private Limited)

Sd/-
Bipin Preet Singh
Managing Director & CEO
DIN: 02019594
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Sd/-
Upasana Rupkrishan Taku
Whole-Time Director & COO
DIN: 02979387
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Date: July 06, 2021
Place: Gurugram

Annexure - 3

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2021.

Part "A": Subsidiaries

(Amount ₹ in Million)

S.No.	Name of Subsidiaries	Mobikwik Finance Private Limited	Mobikwik Credit Private Limited	Harvest Fintech Private Limited	Zaak ePayment Services Private Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Co.	Same as of Holding Co.	Same as of Holding Co.	Same as of Holding Co.
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees
3.	Share capital	25.00	25.00	8.13	0.11
4.	Other Equity	4.44	3.79	(0.21)	142.01
5.	Total assets (including investments)	30.79	29.76	8.20	744.45
6.	Total Liabilities	30.79	29.76	8.20	744.45
8.	Investments				
9.	Turnover (including other income)	2.84	2.83	-	1601.47
10.	Profit/Loss before taxation	2.69	2.73	(3.85)	(27.56)
11.	Provision for taxation	0.71	0.70	-	8.96
12.	Profit after taxation	1.99	2.03	(3.85)	(36.52)
13.	Proposed Dividend	-	-	-	-
14.	% of Shareholding	100.00%	100.00%	100.00%	100.00%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Not Applicable

1. Names of associates or joint ventures which are yet to commence operations. Not Applicable

2. Names of associates or joint ventures which have been liquidated or sold during the year. Not Applicable

For and on behalf of
One MobiKwik Systems Limited (formerly known as One MobiKwik Systems Private Limited)

Sd/-
Bipin Preet Singh
Managing Director & CEO
DIN: 02019594
D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Sd/-
Upasana Rupkrishan Taku
Whole-Time Director & COO
DIN: 02979387
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Sd/-
Dilip Bidani
Chief Financial Officer
R/o: C 111, Trinity Towers, DLF Phase 5, Gurgaon, Haryana-122009

Sd/-
Rahul Luthra
Company Secretary
R/o: Sector-4, H.No. 263, Chiranjiv Vihar, Ghaziabad, U.P.-201002

Date: July 06, 2021
Place: Gurugram

Annexure -4

The disclosures to be made under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts)Rules, 2014 by the Company are as under:

A. CONSERVATION OF ENERGY

Though business operation of the Company is not energy-intensive, the Company, being a responsible corporate citizen, makes conscious efforts to reduce its energy consumption. Some of the measures undertaken by the Company on a continuous basis, including during the year, are listed below:

1. Steps taken or impact on conservation of energy:

i. Rationalization of usage of electrical equipment's-air conditioning system, office illumination, beverage dispensers, desktops.
ii. Regular monitoring of temperature inside the building and controlling the air-conditioning system.
iii. Planned Preventive Maintenance (PPM) schedule put in place for electro-mechanical equipment's.
iv. Usage of energy efficient illumination fixtures.
v. Signage timings rationalization.
vi. Power factor rationalization.
vii. Use of cloud based server services to avoid high energy consuming local data centres.

2. Steps taken by the Company for utilising alternate source of energy:

The business operation of the Company are not energy-intensive, hence apart from steps mentioned above to conserve energy, the management would also explore feasible alternate sources of energy.

3. The capital investment on energy conservation equipment:

There is no capital investment on energy conservation equipment during the year under review.

B. TECHNOLOGY OF ABSORPTION

i. Efforts made towards technology absorption: NIL

ii. Benefits derived like product improvement, cost reduction, product development or import substitution; NIL

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) the details of technology imported; NIL

(b) the year of import; NIL
(c) whether the technology been fully absorbed; NIL
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

iv. Expenditure incurred on Research and Development. NIL

Specific areas in which R&D carried out by the Company: The Company has not carried out R&D in any specific area.

1. *Benefits derived as a result of above R&D:* Not Applicable

2. *Future plan of action:* The management of the company has not yet decided to carry out any R&D.

3. *Expenditure on R&D:* Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2020-21 are as follow:

('Amount in INR Million')

	2020-21	2019-20
Earnings	50.84	70.25
Outgo	13.86	29.15
Net Foreign Earning (NFE)	36.98	41.10

For and on behalf of
One MobiKwik Systems Limited
(Formerly known as One MobiKwik Systems Private Limited)

Sd/-
Bipin Preet Singh
Managing Director & CEO
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Sd/-
Upasana Rupkrishan Taku
Whole-Time Director & COO
DIN: 02979387
R/o: D2/303, Parsvnath Exotica Golf Course Road, Sector 53 Gurugram 122002

Date: July 06, 2021
Place: Gurugram

INDEPENDENT AUDITORS' REPORT

To the Members of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income (loss)), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and loss and other comprehensive income (loss), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As set out in Note 37 to the standalone financial statements, during the year ended 31 March 2018 and 31 March 2017, out of proceeds of INR 707.50 million and INR 472.52 million, respectively, received by the Company by way of preferential allotment of preference shares, the Company had not kept INR 451.73 million and INR 100 million from respective years proceeds in a separate bank account and inadvertently utilised these amounts for payment towards business purposes before allotment of shares to the investors in contravention of section 42 of the Companies Act, 2013. Subsequent to year end 31 March 2021, on 19 April 2021, the Company has filed an application before the Regional Director (Northern Region), Registrar of Companies, Delhi and Haryana for compounding of this contravention. Pending regularisation of the above non-compliance, it is not possible to quantify the extent to which liability, if any, may materialise on the Company and its consequential impact on these standalone financial statements, on the regularisation of this non-compliance.

This matter was also qualified by previous auditors in the previous year.

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income (loss), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2020 and the transition date opening balance sheet as at 1 April 2019 included in these standalone financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by the predecessor auditor whose reports for the year ended 31 March 2020 and 31 March 2019 dated 14 December 2020 and 09 December 2019 respectively expressed a modified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2.(A) As required by Section 143(3) of the Act, we report that:

a) Subject to the matter described in Basis for Qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income (loss)), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) The qualification relating to maintenance of accounts and other matters connected therewith is as stated in the 'Basis for Qualified Opinion' paragraph above.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company was a private limited company till 31 March 2021, accordingly the requirements as stipulated by the provisions of section 197(16) of the Act were not applicable to the Company.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 21064440AAAABP7813

Place: Gurugram
Date: 6 July 2021

Annexure A referred to in our Independent Auditors' Report to the Members of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) on the standalone financial statements for the year ended 31 March 2021

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every year. Accordingly, the Company has carried out physical verification of its fixed assets during the year ended 31 March 2021 and as informed to us, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.

(c) According to the information and explanations given to us, the Company does not own any immovable property. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company is a service company. Accordingly, the Company's business does not involve holding of any inventory. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) According to the information and explanation given to us, the Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which:

(a) The terms and conditions of the grant of such loans are not prejudicial to the interests of the Company.

(b) The schedule of repayment of principal and payment of interest has not been stipulated since the loans are in the nature of working capital loans. Repayments of interest have been regular during the year.

(c) There is no overdue amount in respect of the loan granted to the companies covered in the register maintained under section 189 of the Act.

(iv) According to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans given and investments made. Further, the Company has not provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been slight delays in a few cases in relation to deposit of goods and service tax and income tax. The provisions relating to sales tax, value added tax, service tax, duty of excise and duty of custom are not applicable to the Company.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, employees' state insurance, cess and any other statutory dues which were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Name of the Statute	Nature of the dues	Amount involved (INR million)	Period to which the amount relates	Payment under protest or refund adjusted (INR million)	Forum where dispute is pending
Income tax Act, 1961	Income tax demand	4.14	FY 2015-16 to FY 2017-18	0.83	Commissioner of Income Tax Appeals
Income tax Act, 1961	Income tax demand	583.00	FY 2016-17	-	Assessing Officer*

*Also refer note 35 of the standalone financial statements.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks or financial institutions or dues to debenture holders during the year. Further, the company did not have any loans or borrowings from government during the year.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) and term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company was a private limited company till 31 March 2021 and accordingly, the requirements as stipulated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The Company was a private limited company till 31 March 2021 and accordingly, the requirements as stipulated by the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment or private placement of cumulative compulsory convertible preference shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm's Registration No.: 116231W/W-100024

Gajendra Sharma
Partner
Membership No. 064440
UDIN: 21064440AAAABP7813

Place: Gurugram
Date: 6 July 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Associates LLP
Chartered Accountants
(Firm's Registration No.: 116231W/W-100024)

Gajendra Sharma
Partner
Membership No. 064440
UDIN: 21064440AAAABP7813

Place: Gurugram
Date: 6 July 2021

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)
Standalone Balance Sheet as at 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Assets				
Non-current assets				
Property, plant and equipment	4	9.17	7.88	11.66
Right-of-use assets	39	-	43.50	64.16
Other intangible assets	5	-	-	0.01
Financial assets				
(i) Investments	6(a)	417.18	50.14	104.78
(ii) Loans	6(b)	20.09	13.94	13.46
(iii) Other financial assets	6(c)	61.00	-	1.00
Non-current tax assets	19	87.28	89.49	49.86
Other non-current assets	7	418.12	2.73	2.18
Total non-current assets		**1,012.84**	**207.68**	**247.11**
Current assets				
Financial assets				
(i) Investments	6(a)	-	36.72	-
(ii) Trade receivables	8	319.70	165.53	165.89
(iii) Cash and cash equivalents	9	540.43	81.02	321.64
(iv) Bank balances other than (iii) above	9	1,354.60	1,974.20	1,489.87
(v) Loans	6(b)	9.06	321.01	353.52
(vi) Other financial assets	6(c)	761.43	378.93	392.52
Other current assets	7	163.37	157.66	280.51
		3,148.59	**3,115.07**	**3,003.95**
Assets classified as held for sale	10	-	-	10.00
Total current assets		**3,148.59**	**3,115.07**	**3,013.95**
Total assets		**4,161.43**	**3,322.75**	**3,261.06**
Equity and liabilities				
Equity				
Equity share capital	11 (a)	10.05	10.05	10.05
Instruments entirely equity in nature	11 (b)	144.27	133.25	127.27
Other equity	12	(153.26)	(286.95)	33.86
Total equity		**1.06**	**(143.65)**	**171.18**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	13	-	12.61	129.61
(ii) Lease liabilities	39	-	30.78	50.63
(iii) Other financial liabilities	15	0.35	0.35	0.35
Provisions	16	23.06	18.24	16.91
Total non-current liabilities		**23.41**	**61.98**	**197.50**
Current liabilities				
Financial liabilities				
(i) Borrowings	13	531.56	575.36	594.70
(ii) Lease liabilities	39	-	19.84	15.90
(iii) Trade payables	14			
(a) Total outstanding dues of micro enterprise and small enterprises		6.77	11.27	7.79
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		775.85	544.22	728.24
(iv) Other financial liabilities	15	2,678.18	2,156.83	1,430.51
Contract liabilities	17	77.26	64.09	79.18
Other current liabilities	18	54.85	26.35	28.79
Provisions	16	12.49	6.46	7.27
Total current liabilities		**4,136.96**	**3,404.42**	**2,892.38**
Total liabilities		**4,160.37**	**3,466.40**	**3,089.88**
Total equity and liabilities		**4,161.43**	**3,322.75**	**3,261.06**
Summary of significant accounting policies	2			

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABP7813

Place: Gurugram
Date: 06 July 2021

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson,
Whole-time Director
& Chief Operating Officer
DIN:02979387

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date: 06 July 2021

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)
Standalone Statement of Profit and Loss for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	20	2,709.51	3,056.29
Other income	21	207.16	217.60
Total income		**2,916.67**	**3,273.89**
Expenses			
Employee benefits expense	22	521.35	656.88
Impairment of investment	26	-	61.42
Other expenses	25	3,387.46	3,445.39
Total expenses		**3,908.81**	**4,163.69**
Earning before interest, tax, depreciation and amortisation (EBITDA)		**(992.14)**	**(889.80)**
Finance costs	23	71.44	104.84
Depreciation and amortisation expenses	24	13.10	26.60
Loss for the year		**(1,076.68)**	**(1,021.24)**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of net defined benefit liability	29	3.02	7.55
Other comprehensive income for the year		**3.02**	**7.55**
Total comprehensive loss for the year		**(1,073.66)**	**(1,013.69)**
Earnings per share:	27		
- Loss per share (Basic and Diluted)		(21.46)	(20.90)
Summary of significant accounting policies	2		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABP7813

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson,
Whole-time Director
& Chief Operating Officer
DIN:02979387

Place: Gurugram
Date: 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date: 06 July 2021

(Amounts in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax		(1,076.68)	(1,021.24)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation of property, plant and equipment	24	4.24	5.93
Amortisation of intangible assets	24	-	0.01
Depreciation on right of use asset	24	8.86	20.66
Interest income	21	(73.56)	(116.48)
Provision for doubtful advances	25	1.01	-
Loss on sale/disposal of property, plant and equipment (net)	25	0.43	-
Gain on disposal of investments	21	(1.40)	(13.74)
Fair value gain on financial assets measured at FVTPL	21	-	(1.72)
Gain on termination of lease contract	21	(8.48)	-
Share-based payment expense	22	31.16	232.53
Finance costs	23	71.44	104.84
Financial guarantee expenses	25	583.67	496.52
Impairment loss recognised on trade receivables	21 & 25	1.16	(0.64)
Impairment of investment	26	-	61.42
Operating profit/(loss) before working capital changes		**(458.15)**	**(231.91)**
Changes in			
Trade receivables		(155.33)	1.00
Other financial assets		(387.15)	4.67
Other assets		(421.10)	122.31
Loans		(6.96)	0.93
Other bank balances (Escrow and Nodal accounts)		538.11	(547.17)
Other financial liabilities		42.42	232.45
Contract liabilities		13.17	(15.09)
Trade payables		415.88	250.96
Other liabilities		28.50	(2.44)
Provisions		13.87	8.07
Cash generated from/(used in) operations		**(376.74)**	**(176.22)**
Income tax (paid)/refund, net		2.21	(39.63)
Net cash generated from/(used in) operating activities		**(374.53)**	**(215.85)**
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		-	0.04
Purchase of property, plant and equipment and other intangible assets		(5.95)	(2.19)
Investment in mutual funds		-	(35.00)
Proceeds from sale of mutual funds		38.12	-
Investment in National Payment Corporation of India		(7.70)	-
Investment in subsidiaries		(359.34)	(6.78)
Proceed from sale of investment in Pivotchain Solution Technologies Private Limited		-	23.74
Interest received		78.21	123.99
Investments in bank deposits not considered in cash and cash equivalents		(233.48)	(7.45)
Redemption of bank deposits not considered in cash and cash equivalents		253.97	71.77
Loan given to subsidiaries		(752.05)	(845.75)
Recovery of loan to subsidiaries		1,065.33	876.85
Net cash generated from/(used in) investing activities		**77.11**	**199.22**
Cash flow from financing activities			
Proceeds from issues of preference shares	11	998.30	35.74
Proceeds from short term borrowings		-	75.00
Repayment of short-term borrowings		(75.00)	(100.00)
Repayment of non-convertible debenture		(114.55)	(120.00)
Payment of lease liabilities		(10.84)	(21.69)
Interest and other borrowing cost		(72.28)	(98.70)
Net cash generated from/(used in) financing activities		**725.63**	**(229.65)**
Net increase / (decrease) in cash and cash equivalents		**428.21**	**(246.28)**
Cash and cash equivalents at the beginning of the year	9	**(419.34)**	**(173.06)**
Cash and cash equivalents at the end of the year (note 9)		**8.87**	**(419.34)**
Non-cash investing activities			
Fair value change in mutual funds (Refer note 21)		**-**	1.72

(Amounts in INR millions, unless otherwise stated)

Notes

1. Changes in liabilities arising from financing activities

	As at 31 March 2021	As at 31 March 2020
Non convertible debentures		
Opening balance	**139.88**	**259.61**
Received during the year	-	-
Amortisation of interest and other charges on borrowings	10.83	28.41
Repayments during the year - Principal	(114.55)	(120.00)
Repayments during the year - Interest	(10.71)	(28.14)
Closing balance	**25.45**	**139.88**
Short term borrowings (excluding bank overdraft)		
Opening balance	**75.00**	**100.00**
Received during the year	-	75.00
Repayments during the year	(75.00)	(100.00)
Closing balance	**-**	**75.00**

2. The above statement of cash flow from operating activities has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flows".

Summary of significant accounting policies

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABP7813

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson,
Whole-time Director
& Chief Operating Officer
DIN:02979387

Place: Gurugram
Date: 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date: 06 July 2021

(Amounts in INR millions, unless otherwise stated)

(a) Equity share capital (refer note 11 (a) and 42)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	10.05
Equity share capital issued during the year	-
As at 31 March 2020	**10.05**
Equity share capital issued during the year	-
As at 31 March 2021	**10.05**

(b) Instruments entirely equity in nature

(i) Cumulative compulsory convertible preference shares (CCCPS) of INR 10 each issued, subscribed and fully paid up (refer note 11 (b))

Particulars	Amount
As at 1 April 2019	**1.57**
Preference share capital issued during the year	-
As at 31 March 2020	**1.57**
Preference share capital issued during the year	-
As at 31 March 2021	**1.57**

(ii) Cumulative compulsory convertible preference shares (CCCPS) of INR 100 each issued, subscribed and fully paid up (refer note 11 (b))

Particulars	Amount
As at 1 April 2019	**125.70**
Preference share capital issued during the year	5.98
As at 31 March 2020	**131.68**
Preference share capital issued during the year	11.02
As at 31 March 2021	**142.70**

(c) Other equity (refer note 12)

Particulars	Money received against share warrants	Share application money pending allotment	Reserve and surplus			Total other equity
			Securities premium	Employee share options reserve	Retained earnings	
Balance as at 1 April 2019	**9.75**	**0.37**	**6,365.57**	**29.00**	**(6,370.83)**	**33.86**
Total comprehensive loss for the year ended 31 March 2020						
Loss for the year	-	-	-	-	(1,021.24)	(1,021.24)
Other comprehensive income for the year, net of tax	-	-	-	-	7.55	7.55
Total comprehensive loss	**-**	**-**	**-**	**-**	**(1,013.69)**	**(1,013.69)**
Transactions with owners, recorded directly in equity						
Employee share based payment expense	-	-	-	232.53	-	232.53
Share application money adjusted	-	(0.37)	-	-	-	(0.37)
Securities premium on CCPS shares issued, refer note 11	-	-	460.72	-	-	460.72
Balance as at 31 March 2020	**9.75**	**-**	**6,826.29**	**261.53**	**(7,384.52)**	**(286.95)**
Total comprehensive loss for the year ended 31 March 2021						
Loss for the year	-	-	-	-	(1,076.68)	(1,076.68)
Other comprehensive income for the year, net of tax	-	-	-	-	3.02	3.02
Total comprehensive loss	**-**	**-**	**-**	**-**	**(1,073.66)**	**(1,073.66)**
Transactions with owners, recorded directly in equity						
Employee share based payment expense	-	-	-	31.16	-	31.16
Share application money received	-	36.51	-	-	-	36.51
Securities premium on CCPS shares issued, refer note 11	-	-	1,139.68	-	-	1,139.68
Balance as at 31 March 2021	**9.75**	**36.51**	**7,965.97**	**292.69**	**(8,458.18)**	**(153.26)**

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABP7813

Place: Gurugram
Date: 06 July 2021

Bipin Preet Singh
Managing Director
& Chief Executive Officer
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Upasana Taku
Chairperson,
Whole-time Director
& Chief Operating Officer
DIN:02979387

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date: 06 July 2021

1. Corporate Information

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) ("the Company") was incorporated on 20 March 2008 under the Companies Act, 1956. The registered office and Corporate office of the Company are situated in Gurugram, Haryana. The principal place of business of the Company is in India.

The principal activities of the Company consist of issuing and operating prepaid payment instrument (Wallet Payment System). The Company was authorised by Reserve Bank of India for issuance and operation of mobile based pre-payment instruments subject to terms and conditions detailed in the certificate of authorisation dated 18 July 2013 for five years, which was subsequently extended to 30 September 2023 vide renewal certificate dated 30 September 2020. The users use their MobiKwik wallet for transferring money, for paying their utility bills (prepaid recharge, post-paid mobile, landline, electricity, TV, etc.) and for shopping online on e-commerce websites. The Company has also rolled out financial services platform facilitating various loans product in association with financing partners. The registered office of the Company is situated at 5th Floor, Huda City Centre Metro Station, Sector 29, Gurugram, Haryana.

These Standalone Financial Statements were authorised for issue in accordance with a resolution passed by Board of Directors on 6 July 2021.

2. Significant accounting policies

2.1 Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2020, the Company prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

These standalone financial statements for the year ended March 31, 2021, are the first the Company has prepared in accordance with Ind AS. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), for purposes of Ind AS 101 (First Time Adoption of Indian Accounting Standard). Refer to Note 41 for detailed information on how the Company transitioned to Ind AS.

2.2 Basis of preparation and presentation

The Standalone Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the head of finance.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the board of directors.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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.

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest INR millions as per the requirement of Schedule III, unless otherwise stated.

The preparation of these Standalone Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Company’s accounting policies. The areas where estimates are significant to the Standalone Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 Summary of significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these Standalone Financial Statements.

a) Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is classified as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading
(iii) Expected to be realised within twelve months after the reporting period, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b) Revenue from contract with customers

The Company derives revenue primarily from following services:

- Commission income from sale of recharge, bill payments and merchant payments
- Fees for money transfer service from user's wallet to bank account
- Revenue from share in interest income, processing fee and servicing of loans
- Revenue from technology platform services
- Income from advertisement/sale of space

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied upon transfer of control of service to a customer.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding taxes or duties collected on behalf on Government. An entity estimates the transaction price at contract inception, including any variable consideration, and updates the estimate each reporting period for any changes in circumstances.

Variable consideration such as discounts, volume based incentives, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) is estimated using the expected value method or most likely amount as appropriate in a given circumstance. An entity includes estimates of variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

The Company provides incentives to its users in various forms including cashbacks and supercash. Cashbacks and supercash given to users where the Company recovers a convenience fee are classified as reduction of revenue. However, when these incentives offered to the users are higher than the income earned from the users, the excess (i.e., the incentive given to a user less income earned from the users) on an individual transaction basis is classified under business promotion expenses.

Where the Company acts as an agent for selling goods or services, only the commission income is included within revenue. 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 a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

The Company’s contracts with customers may include multiple performance obligations. For such arrangements, the Company allocate revenues to each performance obligation based on its relative standalone selling price. The Company generally determine standalone selling prices based on the prices charged to customers or using expected cost-plus margin.

Commission income from sale of recharge, bill payments and merchant payments:

The Company facilitates recharge of talk time, utility bill payments and merchant payments and earns commission for the respective services. Commission income is recognized when the control of services is transferred to the customer i.e. when the services have been provided by the Company.

Such commission is generally determined as a percentage of monetary value of transactions processed or gross merchandise value. The Company typically contracts with merchants, financial institutions, or affiliates of those parties. Contracts stipulate the types of services and articulate how fees will be incurred and calculated. Commission income are recognized each day based on the value of transaction at the time the transactions are processed.

Amount received by the Company pending settlement are disclosed as payable to the merchants under other financial liabilities.

Fees for money transfer service from user's wallet to bank account:

Commission on money transfer represents the amount earned from the users in the form of commission on the withdrawal of money by the users from their wallets and transfer the same to the bank accounts of their choice using the IMPS facility. Commission on money transfer is recognised on satisfaction of the associated performance obligation i.e. on transfer of money, and basis the standard agreement entered with the respective users.

Revenue from share in interest income, processing fee, servicing of loans and delayed payment penalty fees:

Share in interest income is earned on the loans to users by respective lending partners. This income is shared by the Company as per terms of agreement with service providers and accounted on accrual basis. Processing fees is recognised on satisfaction of associated performance obligation i.e. on sourcing of customers for lending partners and when amount of loan or credit is transferred to the user's wallet based on standard agreements entered with the respective lending partners. Servicing fee related to loan facilitation services, collection, monitoring etc is recognised over the tenure of loan. Penalty fees for customer defaults i.e. delayed payment of instalment of loan product, is recognised as revenue on receipt of payment from customer.

Revenue from technology platform services:

The Company has contracts with customers to provide technology platform services, in the form of service of design, development, operation and maintenance of technology-based products, one-time integration, setup and technology fee, etc. either independently or bundled with merchants, transaction processing and loan processing services. The Company typically contracts with financial institutions and merchant aggregators. Contracts stipulate the types of services and articulate how fees will be incurred and calculated. Service fee for design and development of technology-based products are recognised over the period of satisfaction of relative performance obligation i.e. development of product.

The services of one-time integration, setup, and technology fee, etc. are generally billed to the customers upfront. However, the underlying obligation to keep up and run the platform continues for the entire period of the contract with customer, and the pattern of benefits to the customer from such services rendered is generally even, throughout the period of contract. Revenue against such upfront technology platform service fee is recognized on a straight-line basis over a period (i.e. over the contractual term).

Income from advertisement/sale of space:

Revenue from sale of advertisement space is recognised, on satisfaction of associated performance obligation i.e. as and when the relevant advertisement is displayed on the application.

Contract balance

Trade receivables

A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section l) Financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). The Company recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as "Deferred revenue" or "Advance from customers" in the balance sheet. Provisions for customer incentives are also reported as contract liabilities.

c) Leases

The Company's leased assets primarily consist of leases for office space. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes periods covered by extension options when it is reasonably certain that they will be exercised and includes periods covered by termination options when it is reasonably certain that they will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflect that the Company exercise a purchase option. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy below on "Impairment of non-financial assets".

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Company's incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset (or in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero) if the Company changes its assessment if whether it will exercise an extension or a termination or a purchase option.

The interest cost on lease liability (computed using effective interest method), is expensed in the statement of profit and loss.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company has elected to account for all COVID-19-related rent concession that meets all of the following conditions in the same way as they would if they were not lease modification:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.

(b) any reduction in lease payments affects only payments originally due on or before the 30 June 2021.

(c) there is no substantive change to other terms and conditions of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

d) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Foreign currency transactions and translations

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Treatment of exchange differences

Exchange differences on monetary items are recognised in the Profit or Loss in the period in which they arise.

f) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and other incentives to employees.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. provident fund and employee state insurance scheme) are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Short-term and other long-term employee benefits

A liability is recognised for short-term employee benefits accruing to employees in respect of salaries, annual leave and sick leave, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit.

The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

g) Share-based payments

Employees of the Company also receive remuneration in the form of share-based payment transactions under Company’s Employee stock option plan (ESOP)-2014.

Equity-settled transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

h) Taxation

Income tax expense comprises represents the sum of the tax currently tax payable and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have enacted or substantially enacted by the end of the reporting period.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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 also recognised in respect of carried forward tax losses and tax credits.

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;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group 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; and

- taxable temporary differences arising on the initial recognition of goodwill.

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 Group 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

i) Non-current assets held for sale

Non-current assets (or disposal group comprising assets and liabilities) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Additional disclosures are provided in Note 10.

j) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates then separately based on their specific useful lives.

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. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation and amortisation

Depreciation is provided on the written down value method. The estimated useful life of each asset as prescribed under Schedule II of the Companies Act, 2013 and based on technical assessment of internal experts (after considering the expected usage of the asset, expected physical wear and tear, technical and commercial obsolescence and understanding of past practices and general industry experience) are as depicted below:

Assets category	**Estimated useful life**
Computers	3 Years
Furniture & fixtures	10 Years
Office equipment	5 Years
Server & Network Equipment	6 Years

Deprecation on addition to the property, plant and equipment is provided on pro rata basis from the date the assets are acquired/ installed. Deprecation on sale/ deduction of plant, property and equipment assets is provided for upto the date of sale and deduction.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2019 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

k) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives determined based on technical assessment of internal experts. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Assets category	**Estimated useful life**
Computer software	5 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2019 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

A financial asset that meet the following conditions are subsequently measured at amortised cost (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument 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. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortised cost criteria or the FVTOCI criteria may irrevocably be but are designated as at FVTPL are measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement of financial instruments

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 on derecognition is recognised in profit or loss.

Debt instruments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVTOCI	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.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For measurement of loss allowance in case of financial guarantee contracts, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

For financial guarantee contracts, the date that the Company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Company considers the changes in the risk that the specified debtor will default on the contract. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of debtors migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD equal to 31 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for underlying receivables of debtors since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

Stage 3: Lifetime ECL – credit impaired

Receivable of debtor is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For receivable of debtors that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end.

Exposures with DPD equal to or more than 90 days are classified as stage 3.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due.

The measurement of all expected credit losses for financial guarantee contracts held at the reporting date are based on historical experience, current conditions, and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as 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, discounted at the original effective interest rate.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of a qualifying asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109 (see section of impairment of financial assets above); and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Although the fee income from financial guarantee contracts is recognised in accordance with the principles of Ind AS 115, the financial guarantee contract is in the scope of Ind AS 109 and the fee income from it is not revenue from contracts with customers. The Company presents the fee income from financial guarantees as part of revenue from share in interest income.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Interest income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

m) Investment in subsidiaries

The Company records the investment in equity instruments of subsidiaries at cost less impairment loss, if any.

On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amount is recognised in the Statement of profit and loss.

n) Provisions and Contingent liabilities

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing The amount recognised as a provision is the best estimate of the consideration expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the Standalone Financial Statements.

o) Impairment of non - financials assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

p) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential equity shares except where the results are anti-dilutive.

q) Measurement of EBITDA

As permitted by the Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Standalone Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense. Finance costs comprise interest expense on: borrowings, bank overdraft, lease liability and other finance cost.

2.4 Recent pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

3. Significant accounting judgements, estimates and assumptions

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone Financial Statements:

a) Revenue from contracts with customers

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers, such as identifying performance obligations, wherein, the Company provides multiple services as part of the arrangement. The Company allocated the portion of the transaction price to services basis on its relative standalone prices.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

b) Determining lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has some property lease arrangements with its vendors that include option to terminate the contract by either party at any time by giving advance notice or by the Company as per its discretion. The Company applied judgment in evaluating whether it is reasonably certain to exercise the termination option. It considered all the factors that create economic incentive for the Company to continue with lease or terminate including alternatives available for the office lease, use of underlying property, leasehold improvements made and accordingly determined lease term.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has tax business losses and unabsorbed depreciation carried forward amounting to INR 7,037.39 million (31 March 2020: INR 6,486.23 million; 1 April 2019: INR 5,727.16 million). The Company does not expect sufficient future taxable profit against which such tax losses can be utilised. On this basis, the Company has not recognised deferred tax assets on these carried forward tax losses. Refer Note 28 for further details.

b) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Refer Note 29 for further details.

c) Useful life of assets of Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. Refer Note 4 for further details.

d) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as stand-alone credit rating). Refer Note 39 for further details.

e) Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Also refer to note 33.

f) Fair value of equity-settled share-based transaction

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Company measures the fair value of equity-settled transactions with employees at the grant date using Black-Scholes model. The assumptions for estimating fair value for share-based payment transactions are disclosed in Note 30.

4 Property, plant and equipment

	Computers	Office equipment	Furniture and fixtures	Server & Network Equipment	Total
Cost					
Deemed cost as at 1 April 2019*	4.13	1.83	0.06	5.64	11.66
Additions	2.01	0.18	-	-	2.19
Disposals	(0.05)	-	-	-	(0.05)
As at 31 March 2020	**6.09**	**2.01**	**0.06**	**5.64**	**13.80**
Additions	5.95	-	-	-	5.95
Disposals**	(0.28)	(0.60)	(0.00)	-	(0.88)
As at 31 March 2021	**11.76**	**1.41**	**0.06**	**5.64**	**18.87**
Accumulated depreciation					
As at 1 April 2019	-	-	-	-	-
Charge for the year	2.77	0.92	0.02	2.22	5.93
Disposals	(0.01)	-	-	-	(0.01)
As at 31 March 2020	**2.76**	**0.92**	**0.02**	**2.22**	**5.92**
Charge for the year	2.41	0.46	0.01	1.36	4.24
Disposals	(0.06)	(0.40)	-	-	(0.46)
As at 31 March 2021	**5.11**	**0.98**	**0.03**	**3.58**	**9.70**
Carrying amount					
As at 1 April 2019	**4.13**	**1.83**	**0.06**	**5.64**	**11.66**
As at 31 March 2020	**3.33**	**1.09**	**0.04**	**3.42**	**7.88**
As at 31 March 2021	**6.65**	**0.43**	**0.03**	**2.06**	**9.17**

Notes:

*The Company has elected to avail Ind AS 101 exemption to continue with the carrying value under Previous GAAP for all of its property, plant and equipment as its deemed cost on the date of transition to Ind AS.

** Includes disposal of furniture & fixtures of INR 1,435 rounded off to "0" on conversion to INR million.

(Amounts in INR millions, unless otherwise stated)

5 Other intangible assets

	Software	Total
Cost		
Deemed cost as at 1 April 2019*	0.01	0.01
Additions	-	-
As at 31 March 2020	**0.01**	**0.01**
Additions	-	-
As at 31 March 2021	**0.01**	**0.01**
Accumulated amortisation		
As at 1 April 2019	-	-
Amortisation for the year	0.01	0.01
As at 31 March 2020	**0.01**	**0.01**
Amortisation for the year	-	-
As at 31 March 2021	**0.01**	**0.01**
Carrying amount		
As at 1 April 2019	**0.01**	**0.01**
As at 31 March 2020	**-**	**-**
As at 31 March 2021	**-**	**-**

Note:
* The Company has elected to avail Ind AS 101 exemption to continue with the carrying value under Previous GAAP for all of its intangible assets as its deemed cost on the date of transition to Ind AS.

(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
6(a) Investments			
Non-current			
Unquoted Investments (fully paid)			
Investment in equity instruments carried at cost			
Investment in subsidiaries (fully paid up)			
1. ZAAK EPAYMENTS SERVICES PRIVATE LIMITED (100% Subsidiary) (11,345 (31 March 2020 : 10,100, 1 April 2019 : 10,100) equity shares of INR 10/- each)	350.41	0.14	0.14
2. MOBIKWIK FINANCE PRIVATE LIMITED (100% Subsidiary) (2,500,000 (31 March 2020 : 2,500,000, 1 April 2019 : 2,500,000) equity shares of INR 10/- each)	25.00	25.00	25.00
3. MOBIKWIK CREDIT PRIVATE LIMITED (100% Subsidiary) (2,500,000 (31 March 2020 : 2,500,000, 1 April 2019 : 2,500,000) equity shares of INR 10/- each)	25.00	25.00	25.00
4. HARVEST FINTECH PRIVATE LIMITED (100% Subsidiary) (813,439 (31 March 2020 : 711,557, 1 April 2019 : 523,226) equity shares of INR 10/- each)	70.49	61.42	6.81
Less: Impairment allowance in value of investments	(61.42)	(61.42)	-
	409.48	**50.14**	**56.95**
Non-current			
Unquoted Investments (fully paid)			
Investment in Cumulative Compulsory Convertible Preference Shares (CCCPS) carried at cost			
HARVEST FINTECH PRIVATE LIMITED (100% Subsidiary) (NIL (31 March 2020 : NIL, 1 April 2019 : 112,184) CCCPS of INR 10/- each)	-	-	47.83
	-	**-**	**47.83**
Non-current			
Unquoted investments (fully paid)			
Investment in other equity instruments at Fair value through other comprehensive income			
National Payment Corporation of India ("NPCI") (6,132 (31 March 2020 : NIL, 1 April 2019 : NIL) equity shares of INR 1,256/- each)	7.70	-	-
	7.70	**-**	**-**
Current			
Investment in mutual funds at Fair value through profit and loss			
Aditya Birla Sun Life Mutual Fund - Savings Fund - Direct Growth (31 March 2021 : Number of Units : NIL, Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 39,397.04, Market Value : INR 400.55 per unit) (01 April 2019 : Number of Units : NIL, Market Value : INR NIL per unit)	-	15.78	-
Aditya Birla Sun Life Mutual Fund - Liquid Fund - Direct Growth (31 March 2021 : Number of Units : NIL, Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 32,627.33, Market Value : INR 319.43 per unit) (01 April 2019 : Number of Units : NIL, Market Value : INR NIL per unit)	-	10.42	-
Aditya Birla Sun Life Mutual Fund - Money manager Fund - Direct Growth (31 March 2021 : Number of Units : NIL, Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 38,824.73, Market Value : INR 270.84 per unit) (01 April 2019 : Number of Units : NIL, Market Value : INR NIL per unit)	-	10.52	-
	-	**36.72**	**-**
Aggregate amount of quoted investments	-	36.72	-
Aggregate amount of un-quoted investments	417.18	50.14	104.78
Aggregate cost of quoted investments	-	35.00	-

Notes:

1. The Company had acquired Harvest Fintech Private Limited ('Harvest') on 31 January 2019 through purchase of Harvest's equity shares and CCCPS for a total consideration of INR 54.64 million. The investment aggregating to INR 6.81 million for 523,226 equity shares of INR 10 each and INR 47.83 million for 112,184 CCCPS of INR 10 each was made at a premium of INR 3 per equity share and INR 416.4 per CCCPS. The consideration was settled through issue of 4,960 equity shares of the Company of INR 10 each at a premium of INR 10,297 per share and balance amount settled through bank payment of INR 3.52 million (Also refer note -11).

In year ended 31 March 2020, Harvest had converted its 112,184 CCCPS to equity shares in the ratio of 1:1. Further, Harvest had also issued additional 76,147 equity shares at a premium of INR 79.01 to the Company in lieu of loan and interest repayment outstanding to Company aggregating of INR 67.78 million. The Company based on its assessment, had provided for impairment for entire investment aggregating to INR 61.42 million into Harvest as at the end of 31 March 2020.

During the year ended 31 March 2021, Harvest had issued additional 101,882 equity shares at a premium of INR 79.01 to the Company in lieu of loan and interest repayment outstanding to Company aggregating of INR 90.68 million.

2. The investments in mutual funds were under lien to Aditya Birla Finance Limited in respect of the short term borrowings availed from them (refer note 13). During the year ended 31 March 2021, these mutual funds have been adjusted against the said short term borrowings.

3. The investment in other equity instruments are not held for trading. Instead, these are held for medium to long-term strategic purposes. Accordingly, the Company has elected to designate this investment in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in this investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investment for long-term purposes and realising their performance potential in the long run (Refer note 31)

(Amounts in INR millions, unless otherwise stated)

6(b) Loans (measured at amortised cost)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Unsecured, considered good unless stated otherwise			
Security deposits	20.09	13.94	13.46
	20.09	**13.94**	**13.46**
Current			
Unsecured, considered good unless stated otherwise			
Security deposits	2.10	0.77	2.18
Loan (Refer note 1 and 2 below and note 34)			
- considered good, unsecured	6.96	320.24	351.34
Unsecured, considered doubtful			
Loan (Refer note (3) below)	1.01	-	-
Less: Provision for doubtful balances	(1.01)	-	-
	9.06	**321.01**	**353.52**
Total loans	**29.15**	**334.95**	**366.98**

Notes :

1. It includes loan given to wholly owned subsidiaries for working capital requirements which carries an interest rate of 10.75 % p.a and repayable on demand.

2. During the year ended 31 March 2021, the Company has converted the unsecured demand loan of INR 350.27 million extended to its wholly owned subsidiary Zaak Epayment Services Private Limited into equity share capital (Face Value of Equity Share INR 10 each).

3. It represents loan given to Pivotchain Technologies Private Limited (related party till 31 March 2020) which carries interest rate of 15 % p.a and repayable on demand.

4. The fair value of loans carried at amortized cost is disclosed in note 31.

6(c) Other financial assets (measured at amortised cost)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Unsecured, considered good unless stated otherwise			
Bank deposits with remaining maturity for more than twelve months (refer note 9)	61.00	-	1.00
	61.00	**-**	**1.00**
Current			
Unsecured, considered good unless stated otherwise			
Amount recoverable from payment gateway banks	270.30	356.09	296.23
Amount recoverable from users and business partners	470.63	8.43	73.89
Interest accrued on deposits	4.26	8.91	16.42
Other recoverables (Refer note (2) below)	16.24	5.50	5.98
	761.43	**378.93**	**392.52**
Unsecured, considered doubtful			
Amount recoverable from payment gateway banks	2.31	2.31	2.31
Receivable from users (Refer note (1) below)	95.39	95.39	95.39
Less: Allowance for doubtful balances	(97.70)	(97.70)	(97.70)
	-	**-**	**-**
	761.43	**378.93**	**392.52**
Total other financial assets	**822.43**	**378.93**	**393.52**

Notes:

1. Represents amounts receivable from users on account of a fraud in IMPS transactions in year ended 31 March 2018. Pending collection of these amounts, the amounts have been fully provided for in the books of account. The Company is in the process of recovering the amounts. The total amount of transfer through the above mode was INR 200.24 million, out of which INR 104.86 million has been recovered.

2. Other recoverables includes amount of INR 1.27 million recoverable from related parties.

7 Other assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Unsecured, considered good unless otherwise stated			
Advance to suppliers	414.99	-	-
Amount paid under protest (Refer Note 35)	0.83	0.83	0.83
Prepaid expenses	0.90	0.50	-
Balances with government authorities	1.40	1.40	1.35
Total	**418.12**	**2.73**	**2.18**
Current			
Unsecured, considered good unless otherwise stated			
Advance to vendors (Aggregators)	54.43	108.41	58.29
Advance to suppliers	23.33	28.15	30.59
Advance to employees	2.33	1.96	0.47
Balances with government authorities			
GST/ Service Tax credit	-	8.52	169.77
GST/ Service Tax credit not due	10.25	3.54	15.91
Prepaid expenses	9.87	5.67	5.19
Recoverable from related parties	61.64	1.41	0.29
Advance paid to customers	1.52	-	-
Current			
Unsecured, considered doubtful			
Advance to vendors (Aggregators)	2.05	2.05	2.04
Advances to employees	0.03	0.03	0.03
Balances with government authorities	7.51	7.51	7.51
Less: Provision for doubtful advances	(9.59)	(9.59)	(9.58)
Total	**163.37**	**157.66**	**280.51**

(Amounts in INR millions, unless otherwise stated)

8 Trade receivables	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Unsecured, considered good unless stated otherwise			
Trade receivables	319.70	165.53	165.89
Trade receivables - Credit impaired	5.77	4.62	5.26
Less: Allowance for doubtful debts	(5.77)	(4.62)	(5.26)
Total	**319.70**	**165.53**	**165.89**

Notes:

1. Trade receivables are non-interest bearing and the average credit period is between 30 to 60 days.

b) The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix under simplified approach. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. Based on internal assessment which is driven by the historical experience and current facts available in relation to default and delays in collection thereof, the credit risk for these trade receivables is considered low.

3. The Company writes off a trade receivable when there is information indicating that the customer is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the customer has been placed under liquidation or has entered into bankruptcy proceedings.

The following table details the risk profile of trade receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer segments.

	Expected credit loss - Default Risk Rate (%)		
Ageing	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	0.00%	0.00%	0.00%
1-30 days past due	0.00%	0.00%	0.00%
31-60 days past due	0.01%	0.00%	0.01%
61-90 days past due	0.46%	0.30%	0.46%
91-180 days past due	9.95%	15.67%	9.95%
181-365 days past due	21.26%	30.99%	21.26%
365 days - 3 years past due	100.00%	100.00%	100.00%
Over 3 years	100.00%	100.00%	100.00%

	Expected credit loss - Delay Risk Rates(%)		
Ageing	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	0.00%	0.00%	0.00%
1-30 days past due	0.12%	0.10%	0.12%
31-60 days past due	0.40%	0.32%	0.40%
61-90 days past due	0.76%	0.64%	0.76%
91-180 days past due	1.38%	1.16%	1.38%
181-365 days past due	2.86%	2.33%	2.86%
365 days - 3 years past due	0.00%	0.00%	0.00%
Over 3 years	0.00%	0.00%	0.00%

Age of receivables	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	191.50	156.45	94.45
1-30 days past due	69.31	2.27	5.11
31-60 days past due	15.51	-	50.19
61-90 days past due	8.59	0.65	-
91-180 days past due	22.67	1.11	1.61
181-365 days past due	12.09	0.94	12.72
365 days - 3 years past due	0.03	3.90	1.77
Over 3 years	-	0.21	0.04
	319.70	**165.53**	**165.89**

Movement in the expected credit loss allowance	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Balance at beginning of the year	4.62	5.26	-
Movement in expected credit loss allowance on trade receivables	1.15	(0.64)	5.26
Balance at end of the year	5.77	4.62	**5.26**

9 Cash and cash equivalents	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Cash on hand*	0.00	0.00	0.00
Balance with banks			
- On current accounts	540.43	81.02	321.64
Total cash and cash equivalents	**540.43**	**81.02**	**321.64**
Total cash and cash equivalents	540.43	81.02	321.64
Less: Bank overdraft	(531.56)	(500.36)	(494.70)
Cash balance for the purposes of statement of cash flows	**8.87**	**(419.34)**	**(173.06)**
Bank balances other than cash and cash equivalents			
Deposits with banks			
- Remaining maturity for more than three months but less than twelve months**	176.91	258.40	321.24
- Remaining maturity for more than twelve months**	61.00	-	1.00
	237.91	**258.40**	**322.24**
Less: Deposits presented as non current financial assets	(61.00)	-	(1.00)
	176.91	**258.40**	**321.24**
Balances with banks:			
In Nodal account***	56.38	2.05	0.86
In Escrow account****	1,121.31	1,713.75	1,167.77
Total	**1,354.60**	**1,974.20**	**1,489.87**

* Includes cash on hand of INR 280, rounded off to "0" on conversion to INR million.
** These deposits includes lien marked fixed deposits of INR 120.13 Million (31 March 2020 : INR 7.44 million, 1 April 2019 : INR 62.25 million).
***The Company uses the Nodal account to receive money when wallet is used as payment gateway for settlement of the transactions with the merchants.
****A charge has been created by bank against the balance lying in the escrow account as per the RBI regulations for semi closed wallet. The amount in escrow account includes a fixed deposit of INR 500 million.

10 Assets classified as held for sale	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Investment in Joint ventures (fully paid up)			
Pivotchain Solution Technologies Private Limited (refer note (i) and (ii) below)			
(a) Nil (31 March 2020 : NIL; 1 April 2019 : 10) Equity shares of 10/- each	-	-	0.04
(b) Nil (31 March 2020 : NIL; 1 April 2019 : 2,685) Compulsory cumulative convertible preference share of 10/- each	-	-	9.96
Total			**10.00**

(i) The Company had intentions to dispose off the above investments as at 1 April 2019. No impairment loss was recognised on reclassification of the investments held for sale as the management of the Company expects that the fair value (based on the actual transaction price) is higher than the carrying amount.

(ii) The Company invested in Pivotchain Solution Technologies Private Limited on 1 September 2018 through purchase of CCPS and Equity shares. The total investment by the Company in Pivotchain aggregated to INR 10 million. During the year ended 31 March 2020, the Company had sold the investment to SOV Funds I Pte Ltd. & Eden Ventures Pte Ltd. for a total amount of INR 23.74 million.

11 Equity share capital

11 (a) Equity share capital

Authorised equity share capital	**Equity Shares (Face Value = INR 10/-)****		**Class A - Equity Shares (Face Value = INR 10/-)****	
	Number of shares	**Amount**	**Number of shares**	**Amount***
As at 1 April 2019	1,106,741	11.07	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2020	1,106,741	11.07	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2021	**1,106,741**	**11.07**	**20**	**0.00**

* Represents Class A equity shares of INR 200,
** Subsequent to year end, the Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance of bonus shares (refer Note 42).

Issued equity share capital (subscribed and fully paid up)	**Number of shares**	**Amount**	**Number of shares**	**Amount***
At 1 April 2019	1,004,974	10.05	20	0.00
Shares issued during the year				
At 31 March 2020	1,004,974	10.05	20	0.00
Shares issued during the year	-	-	-	-
At 31 March 2021	**1,004,974**	**10.05**	**20**	**0.00**

* Represents Class A equity shares of INR 200, rounded off to "0" on conversion to INR million
** Subsequent to year end, the Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance of bonus shares (refer Note 42).

11 (b) Instruments entirely equity in nature

Authorised preference share capital	**Cumulative compulsory convertible preference share (CCCPS)** (Face value INR 100 per share)		**Cumulative compulsory convertible preference share (CCCPS)** (Face value INR 10 per share)	
	Number of shares	**Amount**	**Number of shares**	**Amount**
As at 1 April 2019	1,538,678	153.87	156,899	1.57
Increase/decrease during the year	54,185	5.42	-	-
As at 31 March 2020	**1,592,863**	**159.29**	**156,899**	**1.57**
Increase/decrease during the year	223,729	22.37	**-**	-
As at 31 March 2021	**1,816,592**	**181.66**	**156,899**	**1.57**

(Amounts in INR millions, unless otherwise stated)

Issued cumulative compulsory convertible preference share (CCCPS) (subscribed and fully paid up)

Particulars	As at 1 April 2019 Number of shares	As at 1 April 2019 Amount	Increase/decrease during the year Number of shares	Increase/decrease during the year Amount	As at 31 March 2020 Number of shares	As at 31 March 2020 Amount	Increase/decrease during the year Number of shares	Increase/decrease during the year Amount	As at 31 March 2021 Number of shares	As at 31 March 2021 Amount
Total of Face Value INR 10 Per Share										
Series A	109,779	1.10	-	-	109,779	1.10	-	-	109,779	1.10
Series B2	47,120	0.47	-	-	47,120	0.47	-	-	47,120	0.47
Total	**156,899**	**1.57**	**-**	**-**	**156,899**	**1.57**	**-**	**-**	**156,899**	**1.57**
Total of Face Value INR 100 Per Share										
Series A1 CCCPS	172,536	17.25	-	-	172,536	17.25	-	-	172,536	17.25
Series A2 CCCPS	23,615	2.36	-	-	23,615	2.36	-	-	23,615	2.36
Series A3 CCCPS	17,806	1.78	-	-	17,806	1.78	-	-	17,806	1.78
Series B1 CCCPS	175,922	17.59	-	-	175,922	17.59	-	-	175,922	17.59
Series B3 CCCPS	52,834	5.28	-	-	52,834	5.28	-	-	52,834	5.28
Series B4 CCCPS	89,844	8.98	-	-	89,844	8.98	-	-	89,844	8.98
Series C1 CCCPS	84,469	8.45	-	-	84,469	8.45	-	-	84,469	8.45
Series C2 CCCPS	181,007	18.10	-	-	181,007	18.10	-	-	181,007	18.10
Series C3 CCCPS	120,665	12.07	-	-	120,665	12.07	-	-	120,665	12.07
Series C5 CCCPS	7,204	0.72	-	-	7,204	0.72	-	-	7,204	0.72
Series C6 CCCPS	5,067	0.51	-	-	5,067	0.51	-	-	5,067	0.51
Series C7 CCCPS	17,429	1.74	-	-	17,429	1.74	-	-	17,429	1.74
Series C9 CCCPS	5,810	0.58	-	-	5,810	0.58	-	-	5,810	0.58
Series D CCCPS	271,050	27.11	-	-	271,050	27.11	-	-	271,050	27.11
Series E1 CCCPS	20,040	2.00	-	-	20,040	2.00	-	-	20,040	2.00
Series E2 CCCPS	9,109	0.91	-	-	9,109	0.91	-	-	9,109	0.91
Series E3 CCCPS	2,732	0.27	45,325	4.53	48,057	4.80	22,944	2.29	71,001	7.09
Series E4 CCCPS	-	-	3,643	0.36	3,643	0.36	-	-	3,643	0.36
Series E5 CCCPS	-	-	6,972	0.70	6,972	0.70	-	-	6,972	0.70
Series E6 CCCPS	-	-	3,914	0.39	3,914	0.39	-	-	3,914	0.39
Series E7 CCCPS	-	-	-	-	-	-	41,375	4.14	41,375	4.14
Series E8 CCCPS	-	-	-	-	-	-	9,970	1.00	9,970	1.00
General CCCPS	-	-	-	-	-	-	35,887	3.59	35,887	3.59
Total	**1,257,139**	**125.70**	**59,854**	**5.98**	**1,316,993**	**131.68**	**110,176**	**11.02**	**1,427,169**	**142.70**
Total	**1,414,038**	**127.27**	**59,854**	**5.98**	**1,473,892**	**133.25**	**110,176**	**11.02**	**1,584,068**	**144.27**

11 (c) Terms/ rights attached to shares / share warrants

i) Terms/ rights attached to equity shares:

Voting

Each holder of equity share is entitled to one vote per share held.

Dividend

The Company will declare and pay dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. The Company has not declared or paid any dividend since its incorporation.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

ii) Terms/rights attached to equity shares- Class A

Voting

To the extent that, and at all times when, applicable laws do not permit the holders of the series A CCCPS or the Series A1 CCCPS to exercise voting rights on the series A CCCPS or the Series A1 CCCPS in the manner contemplated, the class A equity shares shall carry such number of votes as may be necessary to permit each holder of the Series A CCCPS or Series A1 CCCPS to vote, on all matters submitted to the vote of the shareholders of Company, in such manner and such proportion as each such holder of the Series A CCCPS or Series A1 CCCPS would have been entitled to, had each such holder of the Series A CCCPS or Series A1 CCCPS elected to convert its Series A CCCPS or Series A1 CCCPS into Equity shares based on the then applicable Series A Conversion Price or Series A1 Conversion Price. At all other times and in all other events, including the event that a holder of Class A Equity Shares does not hold any Series A CCCPS or Series A1 CCCPS, then the Class A Equity Shares held by such Shareholder shall carry one (1) vote each.

Dividend

The Company will declare and pay dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. The Company has not declared or paid any dividend since its incorporation.

Liquidation

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) Terms/rights attached to Cumulative Compulsorily Convertible Preference Shares (CCCPS)

Terms/rights attached to Cumulative Compulsory Convertible Preference Shares (CCCPS) towards Series A, A1, A2, A3, B1, B2, B3, B4, C1, C2, C3, C5, C6, C7, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS

1 Voting

The Preference shareholders of series A, A1, A2, A3, B1, B2, B3, B4, C1, C2, C3, C5, C6, C7, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS are entitled to receive notice of and vote on all matters that are submitted to the vote of Shareholders of the Company. However preference shareholder of series B2 shall have only those voting rights as are provided to preference shareholders under the Act and the right to vote on the Affirmative Vote Matters. The holder is entitled to the number of votes equal to the number of whole or fractional shares into which they could be converted.

2 Dividend

The Preference share of series A and A1 carry cumulative dividend rights at 0.0001% and series A2, A3, B1 , B2 ,B3, B4, C1, C2, C5, C7, C6, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS carry cumulative dividend rights at 0.001%.

3 Conversion

As per the terms of shareholders agreement dated April 21, 2016, August 15, 2016, Supplemental Deed dated December 22, 2016, Amendment Agreement dated March 06, 2017 and Share Cum Warrant Subscription Agreement dated February 11, 2017 the CCCPS may be converted into Equity Shares at any time at the option of the holder of the CCCPS. Subject to compliance with applicable Laws, each CCCPS shall automatically be converted into equity shares, at the applicable Conversion Price then in effect, upon the earlier of (i) one day prior to the expiry of 20 years from the closing date; or (ii) in connection with a IPO (or any subsequent IPO), prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Laws.

These CCCPS shall be converted into Equity Shares at the conversion price to be determined based on the formulae specified in the said shareholder's agreement dated dated April 21, 2016, August 15, 2016, Supplemental Deed dated December 22, 2016, Amendment Agreement dated March 06, 2017 and Share Cum Warrant Subscription Agreement dated February 11, 2017 respectively.

4 Liquidation

In the event of liquidation, the preference shareholders are eligible for preference of payment over any class of equity shareholders and there shall be pari-passu charge by all series of preference shareholders.

iv Terms/rights attached to Share Warrants towards Series C7

Terms of Issue and exercise of the Warrants

Each Warrant entitles Bennett Coleman & Company Limited ("BCCL") to subscribe to and be allotted such number of Shares and/or Series C7 CCCPS, at its sole discretion, calculated as specified in the said Share Cum Warrant Subscription Agreement dated February 11, 2017. BCCL, at its sole discretion, shall be entitled to (i) exercise all or some of the Warrants; and (ii) upon such exercise, subscribe to either the Shares or Series C7 CCCPS as per the procedure laid down in the Agreement.

Conversion

BCCL may exercise its rights under all or some of the Series C7 CCCPS (in whole or in part) and convert the Series C7 CCCPS into Shares as per the procedure detailed in the agreement.

11 (d) The Company did not have any bonus shares and shares bought back for the five years immediately preceding the reporting date.

(Amounts in INR millions, unless otherwise stated)

11 (e) Details of shareholders holding

Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number	% Holding	Number	% Holding	Number*	% Holding
Equity shares of INR 10 each fully paid						
Bipin Preet Singh	585,000	58.21%	585,000	58.21%	585,000	58.21%
Upasana Rupkrishan Taku	415,000	41.29%	415,000	41.29%	415,000	41.29%
Class A - Equity shares of INR 10 each fully paid						
Sequoia Capital India Investment Holdings III	10	50.00%	10	50.00%	10	50.00%
Sequoia Capital India Investments IV	10	50.00%	10	50.00%	10	50.00%

Details of shareholders holding more than 5% preference shares in the Company

		As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Number	% Holding	Number	% Holding	Number	% Holding
Sequoia Capital India Investment Holdings III	Series A CCCPS	109,779	100%	109,779	100%	109,779	100%
Sequoia Capital India Investments IV	Series A1 CCCPS	172,536	100%	172,536	100%	172,536	100%
Sequoia Capital India Investments IV	Series A2 CCCPS	23,615	100%	23,615	100%	23,615	100%
Sequoia Capital India Investments IV	Series A3 CCCPS	17,806	100%	17,806	100%	17,806	100%
Sequoia Capital India Investments IV	Series B1 CCCPS	87,864	50%	87,864	50%	87,864	50%
TreeLine Asia Master Fund	Series B1 CCCPS	88,058	50%	88,058	50%	88,058	50%
American Express Travel Related Services Co.	Series B2 CCCPS	47,120	100%	47,120	100%	47,120	100%
Cisco Systems (USA) PTE Ltd	Series B3 CCCPS	52,834	100%	52,834	100%	52,834	100%
Sequoia Capital India Investments IV	Series B4 CCCPS	62,341	69%	62,341	69%	62,341	69%
TreeLine Asia Master Fund	Series B4 CCCPS	27,503	31%	27,503	31%	27,503	31%
Sequoia Capital India Investments IV	Series C1 CCCPS	12,067	14%	12,067	14%	12,067	14%
TreeLine Asia Master Fund	Series C1 CCCPS	12,067	14%	12,067	14%	12,067	14%
GMO Global Payment Fund Investment Partnership	Series C1 CCCPS	24,134	29%	24,134	29%	24,134	29%
Cloud Ranger Limited	Series C1 CCCPS	36,201	43%	36,201	43%	36,201	43%
Net1 Applied Technologies	Series C2 CCCPS	181,007	100%	181,007	100%	181,007	100%
Cisco Systems (USA) Pte. Ltd.	Series C5 CCCPS	7,204	100%	7,204	100%	7,204	100%
Net1 Applied Technologies	Series C3 CCCPS	120,665	100%	120,665	100%	120,665	100%
American Express Travel Related Services Co.	Series C6 CCCPS	5,067	100%	5,067	100%	5,067	100%
Bennett, Coleman and Company Limited	Series C7 CCCPS	17,429	100%	17,429	100%	17,429	100%
GMO Global Payment Fund Investment Partnership	Series C9 CCCPS	5,810	100%	5,810	100%	5,810	100%
Bajaj Finance Limited	Series D CCCPS	271,050	100%	271,050	100%	271,050	100%
GMO Global Payment Fund Investment Partnership	Series E1 CCCPS	1,822	9%	1,822	9%	1,822	9%
Sequoia Capital India Investments IV	Series E1 CCCPS	18,218	91%	18,218	91%	18,218	91%
Net1 Applied Technologies Netherlands B.V.	Series E2 CCCPS	9,109	100%	9,109	100%	9,109	100%
Gaurav Manglik	Series E3 CCCPS	1,366	2%	1,366	3%	1,366	50%
Tianying Fu	Series E3 CCCPS	1,366	2%	1,366	3%	1,366	50%
Bajaj Finance Limited	Series E3 CCCPS	68,269	96%	45,325	94%	-	0%
Trifecta Capital VDF Management LLP	Series E4 CCCPS	3,643	100%	3,643	100%	-	0%
New Delhi Television Limited	Series E5 CCCPS	6,972	100%	6,972	100%	-	0%
Nicolas Jarrosson	Series E6 CCCPS	3,914	100%	3,914	100%	-	0%
Hindustan Media Ventures Ltd	Series E7 CCCPS	41,375	100%	-	0%	-	0%
Pratithi Investment Trust	Series E8 CCCPS	9,970	100%	-	0%	-	0%
Elizabeth Mathew	General CCCPS	12,048	34%	-	0%	-	0%
Mauryan First	General CCCPS	7,229	20%	-	0%	-	0%
Orios Select Fund I	General CCCPS	6,025	17%	-	0%	-	0%
Vineet Kulbandhu Sharma	General CCCPS	5,871	16%	-	0%	-	0%
		1,579,354		1,473,892		1,414,038	

* Subsequent to year end, the Holding Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance bonus shares (refer Note 42).

11 (f) Other

a) Shares issued for consideration other than cash

i) The Company acquired Harvest Fintech Private Limited ("Harvest") on 31 January 2019 through purchase of Harvest's equity shares and CCCPS for a total consideration of INR 54.64 million. The consideration was been paid through issue of 4,960 equity shares of INR 10 each at a premium of INR 10,297 per share to the holders of the Equity Shares and CCCPS of Harvest and balance amount was settled through bank payment of INR
3.52 million.

ii) During the year ended 31 March 2020, the Company had issued 6,972 Series C5 CCCPS to New Delhi Television Limited for INR 100 each at a premium of INR 8,133.50 per share in lieu of extinguishment of outstanding trade payable balance of INR 57.40 million.

iii) During the year ended 31 March 2021, the Company had issued 22,944 (31 March 2020 : 45,325; 1 April : Nil) Series E3 CCCPS for INR 100 each to Bajaj Finance Limited at a premium of INR 8,133.50 per share in lieu of extinguishment of outstanding trade payable balance of INR 188.91 million (31 March 2020 : INR 373.18 million; 1 April 2019 : Nil).

b) Share reserved for issue under contracts/ commitments for the sale of shares

(i) The Company has reserved 228,213 (31 March 2020 : 228,213; 1 April 2019 : 128,912) number of equity shares for creating a pool of employee stock options representing 8.81% (31 March 2020 : 9.21%; 1 April 2019
: 5.33%) of share capital for the benefit of eligible employees on such terms and conditions as determined by the investors and the Board of Directors. (Refer note 31). For details of shares reserved for issue on conversion of CCCPS, please refer note 11(c)(iii) regarding terms of conversion/redemption of Preference shares.
Subsequent to the year end, the ESOP pool of 228,213 fully paid-up equity shares in the Company of face value of INR 10 each has been adjusted and increased to 4,564,260 fully paid-up equity shares in the Company of face value of INR 2 each to give effect of stock split and bonus issue of equity shares of the Company (refer note 42 for details).

(ii) Pursuant to the advertisement agreement and share cum warrant subscription agreement between the Company and Bennett, Coleman and Company Limited (BCCL) the company shall allot such number of series C7 CCCPS to BCCL against the exercise of warrants by BCCL and against the amounts payable to BCCL by the Company under line of credit in accordance with the conversions basis agreed in the aforesaid agreements.

c) Shares reserved for issue under options
Information relating to the Company's employee option plan (ESOP), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 30.

(Amounts in INR millions, unless otherwise stated)

12 Other equity

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Securities premium	7,965.97	6,826.29	6,365.57
Money received against share warrants	9.75	9.75	9.75
Share application money pending allotment	36.51	-	0.37
Employee share options reserve	292.69	261.53	29.00
Retained earnings	(8,458.18)	(7,384.52)	(6,370.83)
Total other equity	**(153.26)**	**(286.95)**	**33.86**

Notes:

a) Securities premium:- Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
b) Money received against share warrants : Refer note 11(c)(iv) above.
c) Employee share options reserve:- Employee share option outstanding account is used to record the impact of employee stock option scheme. Refer note 30 for further detail of this plan.
d) Retained earnings:- Retained earnings are the accumulated loss made by the Company till date.

(Amounts in INR millions, unless otherwise stated)

13 Borrowings

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Secured, at amortised cost			
Non-convertible debentures (refer note (1) below)	25.45	139.88	259.61
Less: Current maturity of non-convertible debentures	(25.45)	(127.27)	(130.00)
	-	12.61	129.61
Current			
Secured, at amortised cost			
From banks :			
- Bank overdraft (refer note (2) below)	531.56	500.36	494.70
- Term loan	-	-	100.00
From financial institution (refer note (3) below)	-	75.00	-
	531.56	575.36	594.70

Notes:

1. The Company had raised INR 300 million from Trifecta Venture Debt Fund - I through issue of 300 Series-A debentures (Non-convertible) having face value of INR 1 million at the interest rate of 14.25% p.a. (EIR 14.38% p.a.) during the year ended 31 March 2019. These debentures are secured by first pari passu charge created on present and future fixed and current assets of the Company. These debentures are repayable over 30 installments starting from November 2018. Subsequently this loan has been paid off on 1 May 2021.

2. The bank overdrafts and short term loan is secured by way of first pari passu charge on all the present and future current assets, fixed deposits and carries interest rate of 10.50% p.a. for Kotak Bank, 10.10% p.a. for AXIS Bank and 8.81% for ICICI Bank.

The unutilised sanction limits for bank overdrafts and term loans:

Bank Name	Nature of Facility	Amount (31 March 2021)	Amount (31 March 2020)	Amount (1 April 2019)
AXIS Bank	Bank overdrafts	118.68	N.A.	N.A.
AXIS Bank	Short term loan	200.00	N.A.	N.A.
Kotak Bank	Bank overdrafts	N.A.	-	41.14
Kotak Bank	Short term loan	N.A.	200.00	100.00
IndusInd Bank	Bank overdrafts	N.A.	N.A.	0.16

3. The Company raised INR 75 million from Aditya Birla Finance Limited during the year ended on 31 March 2020 as a Line of Credit at the interest rate of 12.50% p.a. and having a validity of 1 year. The Line of credit was secured by first pari passu charge created on the current assets of the Company and Aditya Birla Debt Mutual Funds of INR 35 million . The Company has squared off this Line of Credit during the year in entirety.

14 Trade payables

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
- Total outstanding dues of micro enterprises and small enterprises (Refer note 40)	6.77	11.27	7.79
- Total outstanding dues of creditors other than micro enterprises and small enterprises	775.85	544.22	728.24
	782.62	555.49	736.03

15 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Security deposits	0.35	0.35	0.35
	0.35	0.35	0.35
Current			
Current maturity of non-convertible debentures	25.45	127.27	130.00
Interest accrued on borrowings	0.31	3.23	3.15
Advance from financing partner	597.66	106.65	-
Security deposits	12.65	12.58	9.97
Advances from wallet users (User's balance)	1,010.58	1,486.03	977.98
Financial guarantee obligation*	757.22	183.42	90.39
Payable to merchants	127.55	79.57	99.98
Advance from related party (Refer Note - 35)	-	53.43	41.27
Others	146.76	104.65	77.77
	2,678.18	2,156.83	1,430.51
Total	2,678.53	2,157.18	1,430.86

Notes:

* For disclosure on inputs, assumptions and estimation techniques used in measurement of impairment loss on financial guarantee obligation, refer note 34

16 Provisions

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Provision for employee benefits			
Provision for gratuity*	23.06	18.24	16.91
Total	23.06	18.24	16.91
Current			
Provision for employee benefits			
Provision for gratuity*	3.81	1.07	0.75
Provision for leave encashment	8.68	5.39	6.52
Total	12.49	6.46	7.27

*For details of movement in provision for gratuity, refer note 29.

17 Contract liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current			
Deferred revenue	46.65	5.00	10.00
Customer incentives	30.47	59.09	69.18
Advance from customers	0.14	-	-
Total	77.26	64.09	79.18

18 Other current liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current			
Statutory remittances	53.10	24.75	27.37
Others	1.75	1.60	1.42
Total	54.85	26.35	28.79

(Amounts in INR millions, unless otherwise stated)

19 Non-current tax assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Advance tax and tax deducted at source	87.28	89.49	49.86
Total	**87.28**	**89.49**	**49.86**

(Amounts in INR millions, unless otherwise stated)

20 Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contract with customers		
Consumer payments	2,111.38	2,312.80
Buy now pay later (BNPL)	598.13	743.49
Total revenue from operations	**2,709.51**	**3,056.29**

The Company derives its revenue from contracts with customers for the transfer of services over time and at a point in time on the Company's available services product.

20.1 Disaggregation of revenue based on timing of recognition of revenue:

a	Services transferred at point in time	2,702.50	3,056.29
b	Services transferred over time	7.01	-
	Total revenue from contract with customers	**2,709.51**	**3,056.29**

20.2 Reconciliation of revenue recognised in statement of profit and loss with contracted price:

Revenue as per contracted price	2,716.94	3,059.84
Less: Variable consideration (including consideration payable to customer)	(7.43)	(3.55)
	2,709.51	**3,056.29**

20.3 Transaction price allocated to the remaining performance obligations:

The following table includes revenue expected to be recognised in the future related to performance obligation that are unsatisfied (or partially unsatisfied) at the reporting date:

Sale of services	77.26	64.09
	77.26	**64.09**

Note: All the remaining performance obligation are expected to be recognised within one year

20.4 Contract balances

The following table provides information about contract liabilities from contract with customers

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a) Contract liabilities (refer note 17)	77.26	64.09	79.18

Significant changes in the contract liabilities balances during the year are as follows:

Deferred revenue:	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Opening balance at the beginning of the year	**5.00**	**10.00**	**40.00**
Less: Revenue recognised from contract liability balance at the beginning of the year	-	(10.00)	(30.00)
Add: Amount received from customers during the year	45.33	5.00	-
Less: Revenue recognised from amount received during the year	(3.68)	-	-
Closing balance at the end of the year	**46.65**	**5.00**	**10.00**

Customer incentive:	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Opening balance at the beginning of the year	**59.09**	**69.18**	**73.33**
Add: Created during the year	30.47	59.09	69.18
Less: Utilised during the year	(59.09)	(69.18)	(73.33)
Closing balance at the end of the year	**30.47**	**59.09**	**69.18**

Advance from customers:	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Opening balance at the beginning of the year	**-**	**-**	**-**
Add: Created during the year	0.14	-	-
Less: Utilised during the year	-	-	-
Closing balance at the end of the year	**0.14**	**-**	**-**

21 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from financial assets measured at amortised cost		
- on bank deposits	53.93	79.75
- on security deposits	0.64	0.87
- on loans to related parties	19.63	36.73
Interest on income tax refund	2.11	-
Liabilities / Provisions no longer required written back	58.38	38.86
Reversal of impairment loss on trade receivables	-	0.64
Service income	61.64	44.78
Gain on disposal of investments	1.40	13.74
Gain on termination of lease contract	8.48	-
Fair value gain on financial assets measured at FVTPL	-	1.72
Miscellaneous income	0.95	0.51
Total	**207.16**	**217.60**

(Amounts in INR millions, unless otherwise stated)

22 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, allowance and bonus	463.31	398.86
Gratuity expense (refer note 29)	11.69	10.93
Leave encashment expense	5.05	2.36
Contribution to provident and other funds	9.93	9.04
Employee stock options expense (refer note 30)	31.16	232.53
Staff welfare expenses	0.21	3.16
Total	**521.35**	**656.88**

23 Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liabilities at amortised cost		
- on overdraft	39.01	53.41
- on borrowings	24.73	41.81
- on lease liability	1.97	5.78
Others	5.73	3.84
Total	**71.44**	**104.84**

24 Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer note 4)	4.24	5.93
Depreciation on right of use assets (refer note 39)	8.86	20.66
Amortisation of intangible assets (refer note 5)	-	0.01
Total	**13.10**	**26.60**

25 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Payment gateway cost (refer note 34)	1,399.25	1,432.47
Business promotion*	802.84	933.92
Franchisee cost	121.55	173.99
Advertisement	64.24	3.66
B2B commission expense	23.20	33.41
Lease rent (Refer Note 1 below)	0.75	4.03
Rates and taxes	8.68	24.56
Communication costs	33.58	41.31
Outsource service cost	44.05	54.85
Foreign exchange loss (net)	0.73	2.08
Power and fuel	0.38	2.07
Merchant related costs	42.15	34.83
Repair and maintenance:		
-Plant and machinery	0.13	0.51
-Others	4.53	10.14
Server and related cost	57.40	37.46
Travelling and conveyance	5.19	17.65
Legal and professional fees	59.09	32.32
Lending operational expenses	67.04	33.74
Auditor's remuneration**	4.26	3.70
Insurance expenses	2.36	2.54
Software expenses	13.69	13.49
IMPS expenses	12.90	21.39
Financial guarantee expenses	583.67	496.52
Impairment loss on trade receivables	1.16	-
Bad debts	6.98	4.35
Provision for doubtful advances	1.01	-
Loss on sale / disposal of fixed assets (net)	0.43	-
Miscellaneous expenses	26.22	30.40
Total	**3,387.46**	**3,445.39**

*Includes user incentive expenses amounting to INR 563.03 million (31 March 2020: INR 650.10)

**Includes payments to statutory auditors (exclusive of Goods and Service Tax)		
For audit	4.05	3.60
For reimbursement of expenses	0.21	0.10
	4.26	**3.70**

Note:

1. Lease rent includes impact of lease rent concession due to COVID 19 received during the year. Consequently an amount of INR 3.10 million has been netted off from lease rent expense during the year.

26 Impairment of investment

	For the year ended 31 March 2021	For the year ended 31 March 2020
Impairment of investment (Refer note 6(a))	-	61.42
	-	**61.42**

(Amounts in INR millions, unless otherwise stated)

27 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of equity shares and CCPS outstanding during the year.

Diluted EPS are calculated by dividing the loss for the year attributable to the equity holders of the Company by weighted average number of equity shares and CCPS outstanding during the 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. The following reflects the income and share data used in the basic and diluted EPS computations:

Basic	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Loss for basic EPS being net loss attributable to owners of the Company (A)	(1,076.68)	(1,021.24)
Weighted average number of equity shares and CCPS in calculating basic EPS (B) (refer note 1 below)	50,180,679	48,857,559
Basic loss per equity share (A/B) (INR)	(21.46)	(20.90)
Diluted		
Loss for basic EPS being net loss attributable to owners of the Company (A)	(1,076.68)	(1,021.24)
Weighted average number of equity shares and CCPS in calculating basic and diluted EPS (B) (refer note 1 below)	50,180,679	48,857,559
Diluted loss per equity share (A/B) (INR)	(21.46)	(20.90)

Notes

(1) The earnings per share reflects the impact of sub-division of 1 equity share having face value of INR 10 each into 5 equity shares having face value of INR 2 each and the bonus shares issuance in the ratio of 3:1 (refer note 42).

(2) There are potential equity shares as on 31 March 2021 and 31 March 2020 in the form of stock options granted to employees. As these are anti dilutive, they are ignored in the calculation of diluted earning/(loss) per share and accordingly the diluted earning/(loss) per share is the same as basic earnings/(loss) per share.

(Amounts in INR millions, unless otherwise stated)

28 Income tax

The major components of income tax expense/(credit) are :

a) Income tax expense/(credit) recognised in Statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax		
Current income tax for the year	-	-
	-	-
Deferred tax		
Relating to origination and reversal of temporary differences		-
	-	-
Total income tax expense/(credit)	**-**	**-**

b) The income tax expense for the year can be reconciled to the loss before tax as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax	(1,076.68)	(1,021.24)
Accounting profit before income tax	**(1,076.68)**	**(1,021.24)**
Tax expense at statutory income tax rate of 26% (31 March 2020: 26%)	(279.94)	(265.52)
Other non-deductible expenses	0.57	0.15
Temporary differences and tax losses for which no deferred tax was recognised	279.37	265.37
Tax expense at the effective income tax rate of Nil (31 March 2020: Nil)	-	-

c) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Deferred tax asset			
Tax losses carried forward	1,829.72	1,686.42	1,489.06
Property, plant and equipment and other intangible assets	0.74	1.32	0.48
Lease liabilities	-	1.85	0.62
Security deposits	-	0.57	0.80
Trade receivable	1.50	1.20	1.37
Deferred revenue	1.30	1.30	-
Customer incentive	-	7.92	-
Impairment loss on lending business	196.88	47.69	23.50
Employee benefits	9.77	6.42	6.29
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	26.17	8.61	3.32
Total	**2,066.08**	**1,763.30**	**1,525.44**
Total deferred tax assets recognised (A) (refer notes below)	**0.08**	**0.48**	**0.10**
Deferred tax liabilities			
Non-convertible debentures	(0.08)	(0.03)	(0.10)
Mutual funds	-	(0.45)	-
Total deferred tax liabilities (B)	**(0.08)**	**(0.48)**	**(0.10)**
Net deferred tax assets/(liabilities) (A-B)	**-**	**-**	**-**

*The amount of deferred tax assets recognised has been restricted to the amount of deferred tax liability recognised as on 31 March 2021, 31 March 2020 and 1 April 2019 due to lack of reasonable certainty in those years because a trend of future profitability is not yet clearly discernible.

d) Detail of deductible temporary differences and unused tax losses for which no deferred tax asset is recognised in the balance sheet:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:			
- unabsorbed depreciation	39.48	34.37	28.63
- tax business losses	6,997.91	6,451.86	5,698.53
- other deductible temporary differences	906.28	279.15	136.38
	7,943.67	**6,765.38**	**5,863.54**

Utilization of tax business losses is subject to expiry of 8 years. Unabsorbed depreciation can be carried forward for an indefinite period. Other deductible temporary differences do not have any expiry date.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(Amounts in INR millions, unless otherwise stated)

29 Employee benefits

A Defined contribution plans

The Company makes contributions towards Provident Fund to a defined contribution retirement benefit plan for qualifying employees. The Company's contribution to the Employee Provident Fund is deposited with the Provident Fund Commissioner which is recognised by Income Tax authorities.

The Company has recognised INR 9.93 million during the year ended 31 March 2021 (31 March 2020: INR 9.04 million) for provident fund in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

B Defined benefit plans

Gratuity - defined benefit plan

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2 million (31 March 2020 : INR 2 million) in terms of the provisions of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.

The amount included in the balance sheet arising from the Company's obligation in respect of its gratuity plan is as follows:

Gratuity - defined benefit plan

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Present value of un-funded defined benefit obligation	26.87	19.31	17.66

a) Reconciliation of the net defined benefit liability

Movement in the present value of defined benefit obligation are as follows :

Reconciliation of present value of defined benefit obligation for Gratuity

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balance at the beginning of the year	19.31	17.66	14.13
Benefits paid	(1.10)	(1.73)	(0.41)
Current service cost	10.10	9.24	6.44
Interest cost	1.59	1.69	1.11
Actuarial (gains) losses			
- changes in demographic assumptions	(3.87)	-	-
- changes in financial assumptions	5.59	1.54	0.22
- experience adjustments	(4.75)	(9.09)	(3.83)
Balance at the end of the year	**26.87**	**19.31**	**17.66**

b) Amount recognised in statement of profit and loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	10.10	9.24
Net interest expense	1.59	1.69
Recognised in profit or loss	**11.69**	**10.93**
Remeasurement of the net defined benefit liability		
Actuarial (gain) loss on defined benefit obligation	(3.02)	(7.55)
Recognised in other comprehensive income	**(3.02)**	**(7.55)**

The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2021. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

(Amounts in INR millions, unless otherwise stated)

c) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Discount rate	6.64%	6.67%	7.70%
Expected rate of salary increase	15%	10.00%	10.00%
Retirement age	58 years	58 years	58 years
Attrition rate	25.00%	10.00%	10.00%
Mortality table	India Assured Life Moratility	India Assured Life Mortality	India Assured Life Mortality

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) The plan typically exposes the Company to actuarial risks such as: interest rate, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

e) 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

For the year ended 31 March 2021	Increase	Decrease
Impact of change in discount rate by 1%	(1.06)	1.20
Impact of change in salary by 1%	0.72	(0.69)
Impact of change in employee turnover rate by 1%	(0.33)	0.35

For the year ended 31 March 2020	Increase	Decrease
Impact of change in discount rate by 1%	(1.46)	1.51
Impact of change in salary by 1%	1.08	(0.96)
Impact of change in employee turnover rate by 1%	(0.06)	0.08

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

f) The table below summarises the maturity profile and duration of the gratuity liability:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1st following year	3.93	1.11	0.78
2nd following year	4.23	1.32	1.16
3rd following year	4.25	1.66	1.36
4th following year	4.23	1.93	1.68
5th following year	3.85	2.06	1.91
Sums of years 6 to 10	11.43	9.45	8.60
Total	**31.92**	**17.53**	**15.49**

(Amounts in INR millions, unless otherwise stated)

30 Employee Stock Option Plan – 2014 ("The 2014 Plan")

(a) The Company established the Employees Stock Option Scheme 2014 ("ESOP 2014") which was approved by the shareholders vide their special resolution dated on 5 August 2014. Under the plan, the Company is authorised to issue up to 228,213 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Company subject to the requirements of vesting. Refer note 42 for "Events after the reporting period".

Vesting Condition:
Vesting of options would be subject to continued employment.

Vesting period:
The Company has issued above options with graded vesting with vesting period ranging from 1 to 4 years.

Exercise Period:
Exercise period would expire at the end of 7 years from the date of vesting of options.

(b) Movements during the year
The following table represents the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	As at 31 March 2021		As at 31 March 2020	
	Number of Options	WAEP	Number of Options	WAEP
Outstanding at the beginning of the year	114,803	1,897.60	78,210	2,477.79
Options granted during the year	19,154	7,654.34	75,313	3,446.97
Options exercised during the year	-	-	-	-
Options forfeited during the year	(5,139)	4,969.35	(38,720)	6,083.14
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	128,818	2,631.03	114,803	1,897.60
Vested options outstanding at the end of the year (Exercisable)	99,370	1,324.32	50,742	1,118.40

The share options outstanding at the end of the year had a weighted average exercise price of INR 2,631.03 (as at 31 March 2020: INR 1,897.60/-, as at 1 April 2019 : INR 2,477.79/-), and a weighted average remaining contractual life of 5.41 years (as at 31 March 2020: 5.86 years, as at1 April 2019: 6.16 years).

c) Range of exercise price for share options outstanding at the end of the year:

Exercise price (Amount in INR)	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
10	35,015	36,287	2,266
695	45,089	45,089	45,089
2,884	82	82	259
4,475	14,026	14,026	10,908
5,708	4,840	5,282	19,132
6,587	10,480	13,292	556
7,307	10,007	745	-
8,024	9,279	-	-

d) The weighted average fair value of options granted during the year was INR 2,972.97 per option (31 March 2020 : INR 4,535.15 per option, 1 April 2019: INR 2,391.13 per option)

	For the year ended 31 March 2021	For the year ended 31 March 2020
e) Expense arising from equity-settled share-based payment transactions	31.16	232.53

The estimation of fair value on date of grant was made using the Black-Scholes model with the following assumption :

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Exercise price- (in INR)	7,307 - 8,024	10 - 7,307
Fair value at grant date- (in INR)	1,033-4,962	1,824 - 6,129
Expected Volatility (Standard Deviation - Annual)	37.9% - 42.7%	34.4% - 39.3%
Risk free rate	5.0% - 5.9%	5.9% - 7.6%
Dividend yield	0.00%	0.00%

(Amounts in INR millions, unless otherwise stated)

31 Fair value measurements

a) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Company's financial instruments are as follows:

	Level	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Financial assets				
a) Measured at fair value through profit or loss (FVTPL)				
- Investment in mutual funds (refer note 6(a))	Level 1	-	36.72	-
		-	36.72	-
b) Measured at fair value through other comprehensive income (FVTOCI)				
- Investment in NPCI (refer note 6(a))	Level 3	7.70	-	-
		7.70	-	-
c) Measured at amortised cost				
- Trade receivables (refer note 8)	Level 3	319.70	165.53	165.89
- Cash and cash equivalents (refer note 9)	Level 3	540.43	81.02	321.64
- Loans (refer note 6(b))	Level 3	29.15	334.95	366.98
- bank deposits (refer note 9)	Level 3	1,415.60	1,974.20	1,490.87
- Other financial assets (refer note 6(c))	Level 3	761.43	378.93	392.52
		3,066.31	2,934.63	2,737.90
Total financial assets		**3,074.01**	**2,971.35**	**2,737.90**
Financial liabilities				
a) Not measured at fair value (Other financial liabilities)				
- Borrowings (refer note 13)	Level 3	531.56	587.97	724.31
- Trade payables (refer note 14)	Level 3	782.62	555.49	736.03
- Security deposits (refer note 15)	Level 3	13.00	12.93	10.32
- Other financial liabilities (refer note 15)	Level 3	2,665.53	2,144.25	1,420.54
- Lease liabilities (refer note 39)	Level 3	-	50.63	66.53
Total financial liabilities		**3,992.71**	**3,351.27**	**2,957.73**

b) The following methods / assumptions were used to estimate the fair values:

i) The carrying value of bank deposits, trade receivables, cash and cash equivalents, trade payables, security deposits, loans, borrowings and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

ii) The fair value of non-current financial assets and financial liabilities measured are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

iii) Fair value of quoted mutual funds is based on quoted market prices at the reporting date.

iv) 'The investment in NPCI is close to the reporting date. Accordingly, the fair value of this investment as at 31 March 2021 approximates to the cost of acquisition, which is determined basis the transaction price.

c) There were no transfers between any levels for Fair value measurements.

d) The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:
Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: This level includes financial assets and liabilities, measured using 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: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(Amounts in INR millions, unless otherwise stated)

32 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the company consists of net debt (note 13) offset by cash and bank balance (note 9) and total equity of the company. The Company is not subject to any externally imposed capital requirements.

The Company's board of directors reviews the capital structure of the Company on a periodic basis. As part of this review, the Board of directors considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Gearing ratio

The company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents)
divided by
Total equity (as shown in the balance sheet).
The gearing ratio at end of the reporting period was as follows.

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Borrowings	531.56	587.97	724.31
Cash and cash equivalents	(540.43)	(81.02)	(321.64)
Adjusted Net Debt (A)	(8.87)	506.95	402.67
Total equity (B)	1.06	(143.65)	171.18
Net debt to equity ratio	-836%	-353%	235%

Debt is defined as long-term and short-term borrowings.

33 Financial risk management objectives and policies

The company's management monitors and manages key financial risk relating to the operations of the Company by analysing exposures by degree & magnitude of risk. The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities.

i) Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and financial guarantee provided by the Company) and from its financing activities, including deposits with banks and financial institutions, mutual funds and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The carrying amounts of financial assets and the maximum amount the Company would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised, represents the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Trade receivables

The Company is exposed to credit risk in the event of non-payment by trade partners. Receivable credit risk is managed subject to the Company's established policy, procedures and control relating to trade partners risk management. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables through a lifetime expected credit loss. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Ageing of past due but not impaired receivables is as follows :

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Within the credit period	191.50	156.45	94.45
1-30 days past due	69.31	2.27	5.11
31-60 days past due	15.51	-	50.19
61-90 days past due	8.59	0.65	-
91-180 days past due	22.67	1.11	1.61
181-365 days past due	12.09	0.94	12.72
365 days - 3 years past due	0.03	3.90	1.77
Over 3 years	-	0.21	0.04
Total	**319.70**	**165.53**	**165.89**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Buy now pay later (BNPL)

The Company's exposure to credit risk is from the BNPL business in which the Company facilitates credit to its users through financing partners. The Company provides financial guarantees on the BNPL business to its financing partners to cover the loss on the credit extended to its users. Financial guarantees are capped to the extent agreed with the respective partner.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual users and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Company's independent Risk Management Unit (RMU). It is their responsibility to review and manage credit risk, including environmental and social risk for all types of users. The RMU consist of experts and credit risk managers that have deep expertise in the domain of financial and credit risk of BNPL business and are responsible for managing the risk of BNPL portfolio including credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early warning signals to identify the changes in the creditworthiness of its BNPL users. User limits are established by the use of a credit risk classification system, which assigns each BNPL user a risk rating. Risk ratings are subject to regular revision. The credit quality review process enables the periodic assessment of the potential loss to which the Company is exposed thereby allowing it to take corrective actions.

The Company has, based on current available information and based on the policy approved by the Board of Directors, determined the provision for impairment of financial assets.

(Amounts in INR millions, unless otherwise stated)

Concentration of credit risk

Concentrations arise when a number of users are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Company. Accordingly, the Company does not have concentration risk.

Expected credit loss on financial guarantee contract

The Company has, based on current available information and based on the policy approved by the Board of Directors, calculated impairment loss allowance in the BNPL business using the Expected Credit Loss (ECL) model to cover the guarantees provided to its financing partners.

Expected credit loss (ECL) methodology

The Company has assessed the credit risk associated with its financial guarantee contracts for provision of Expected Credit Loss (ECL) as at the reporting dates. The Company makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The underlying ECL parameters have been detailed out in the note on "Summary of significant accounting policies".

Since, the Company offers Buy now pay later (BNPL) and other credit products to a large retail customer base on its digital platform via marketplace model, there is no significant credit risk of any individual customer that may impact the Company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

For the year ended 31 March 2021, 31 March 2020 and 31 March 2019 the Company has developed an ECL Model that takes into consideration the stage of delinquency, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) .

I. Probability of Default (PD): represents the likelihood of default over a defined time horizon. The definition of PD is taken as 90 days past due for all loans.
II. Exposure at Default (EAD): represents what is the user's likely borrowing at the time of default.
III. Loss Given Default (LGD): represents expected losses on EAD given the event of default.

Each financial guarantee contract is classified into (a) Stage 1, (b) Stage 2 and (c) Stage 3 (Default or Credit Impaired). Delinquency buckets have been considered as the basis for the staging of all credit exposure under the guarantee contract in the following manner:
a) Stage 1: 0-30 days past due loans
b) Stage 2: More than 30 and up to 90 days past due loans
c) Stage 3: Above 90 days past due loans

Inputs, assumptions and estimation techniques used to determine expected credit loss

The Company's ECL provision are made on the basis of the Company's historical loss experience and future expected credit loss, after factoring in various macro- economic parameter. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results. The selection of variables was made purely based on business sense.

The macro- economic variables were regressed using a regression model against the log odds of the weighted average PD's to forecast the forward-looking PD's with macro-economic overlay incorporated. Best, base and worst scenarios were created for all the variables and default rates were estimated for all the scenarios. These default rates were then used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

The Company has also assessed the possible impact of COVID-19 pandemic on each borrower and significant increase in credit risk based on delayed payments metrics observed along with an estimation of potential stress on probability of defaults and loss given default. As a result of uncertainties resulting from COVID-19, the impact of this pandemic may be different from those estimated as on the date of approval of these financial results and the Company will continue to monitor any changes to the future economic conditions.

Analysis of portfolio

Gross exposure at default (EAD) and expected credit loss on financial guarantee contract as at the end of the reporting period:

Particulars	(A) Gross exposure at default (EAD)*	(B) Expected credit loss allowance (ECL)*	(C) Net carrying amount (financial guarantee obligation)*	(D) Impact on profit or loss**
As at 31 March 2021				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,596.51	52.07	52.07	583.67
Where credit risk has increased significantly but are not credit impaired (Stage 2)	290.02	98.37	98.37	
Where credit risk has increased significantly and are credit impaired (Stage 3)	275.15	105.27	105.27	
Total	**2,161.68**	**255.71**	**255.71**	**583.67**
As at 31 March 2020				
Where credit risk has not significantly increased from initial recognition (Stage 1)	3,024.60	38.86	38.86	496.52
Where credit risk has increased significantly but are not credit impaired (Stage 2)	231.51	102.99	102.99	
Where credit risk has increased significantly and are credit impaired (Stage 3)	118.08	41.57	41.57	
Total	**3,374.19**	**183.42**	**183.42**	**496.52**
As at 1 April 2019				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,301.81	34.22	34.22	117.70
Where credit risk has increased significantly but are not credit impaired (Stage 2)	43.02	22.16	22.16	
Where credit risk has increased significantly and are credit impaired (Stage 3)	103.86	34.01	34.01	
Total	**1,448.69**	**90.39**	**90.39**	**117.70**

(Amounts in INR millions, unless otherwise stated)

* Gross exposure at default, expected credit loss allowance (ECL) and net carrying amount does not include the obligation from financial guarantee contracts not settled during the year ended 31 March 2021 amounting to INR 501.51 million.

** It includes INR 511.13 million for the year ended 31 March 2021 (31 March 2020: INR 403.49 million; 31 March 2019: INR 27.31 million) which represents actual obligation arising from financial guarantee contracts for the respective years.

Notes:
1. Gross exposure at default (A) represents the maximum amount the Company has guaranteed under the respective financial guarantee contracts including amount outstanding, accrued interest, future interest due and any expected drawdowns in future from the sanctioned loan limits as on the reporting date.
2. The Expected Credit Loss (B) allowance is computed as a product of PD, LGD and EAD adjusted for time value of money using a rate which is a reasonable approximation of EIR.
3. Net Carrying Amount (C) represents the Expected Credit Loss (ECL) recognized on financial guarantee contracts.
4. Impact on Statement of profit or loss (D) is the loss allowance recognized during the financial year.

Reconciliation of expected credit Loss (ECL) allowance on financial guarantee contracts

Particulars	Financial guarantee obligation where credit risk has not significantly increased from initial recognition (Stage 1)	Financial guarantee obligation where credit risk has increased significantly but are not credit impaired (Stage 2)	Financial guarantee obligation where credit risk has increased significantly and are credit impaired (Stage 3)	Total
ECL allowance as at 1 April 2019	**34.22**	**22.16**	**34.01**	**90.39**
- New credit exposures during the year, net of repayments	38.33	96.54	12.26	147.13
- Contracts settled during the year	(23.40)	(20.62)	(0.77)	(44.79)
- Transfer between stages during the year	(1.55)	4.98	1.92	5.35
- Movement due to opening EAD and credit risk	(8.74)	(0.07)	(5.85)	(14.66)
ECL allowance as at 31 March 2020	**38.86**	**102.99**	**41.57**	**183.42**
- New credit exposures during the year, net of repayments	43.29	75.13	20.77	139.19
- Contracts settled during the year	(30.29)	(93.22)	(7.07)	(130.58)
- Transfer between stages during the year	(3.64)	12.71	50.86	59.93
- Financial guarantee contract obligations accrued but not settled (Refer note below)	-	-	501.51	501.51
- Movement due to opening EAD and credit risk	3.85	0.76	(0.86)	3.75
ECL allowance as at 31 March 2021	**52.07**	**98.37**	**606.78**	**757.22**

Note - The amount of INR 501.51 million represents the obligation arising from financial guarantee contracts which was not settled during the year ended 31 March 2021 but was settled subsequent to the year end. In previous years, INR 403.49 million and INR 27.31 million were materialised and settled during the year ended 31 March 2020 and 31 March 2019 respectively.

Cash and cash equivalents, bank deposits and investments in mutual funds
The company maintains its cash and cash equivalents, bank deposits and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Security deposits
The company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and company 's historical experience of dealing with the parties.

ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company'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 Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has access to financing facilities as described below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Secured bank facility:			
- Amount used	531.56	500.36	494.70
- Amount unused	318.68	200.00	141.30

Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:
The contractual maturity is based on the earliest date on which the Company may be required to pay.

Contractual maturities of financial liabilities

31 March 2021	**Within 1 year**	**Between 1 and 5 years**	**Total**
Trade payables	782.62	-	782.62
Other financial liabilities	1,920.96	0.35	1,921.31
Financial guarantee obligation	757.22	-	757.22
Borrowings	531.56	-	531.56
	3,992.36	**0.35**	**3,992.71**
			3,992.71

31 March 2020	**Within 1 year**	**Between 1 and 5 years**	**Total**
Trade payables	555.49	-	555.49
Lease liabilities	19.84	30.78	50.62
Other financial liabilities	1,973.41	0.35	1,973.76
Financial guarantee obligation	183.42	-	183.42
Borrowings	575.36	12.61	587.97
	3,307.52	**43.74**	**3,351.26**

(Amounts in INR millions, unless otherwise stated)

1 April 2019	Within 1 year	Between 1 and 5 years	Total
Trade payables	736.03	-	736.03
Lease liabilities	15.90	50.63	66.53
Other financial liabilities	1,340.12	0.35	1,340.47
Financial guarantee obligation	90.39	-	90.39
Borrowings	594.70	129.61	724.31
	2,777.14	**180.59**	**2,957.73**

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed in the below is attributable to bank overdraft facility availed by the company.

Sensitivity	Impact on profit/loss before tax	
	31 March 2021	31 March 2020
+ 0.5% change in Interest rate (Bank overdraft)	(2.66)	(2.50)
- 0.5% change in Interest rate (Bank overdraft)	2.66	2.50

(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchase of services are denominated (i.e. USD) and the functional currency of Company (i.e. INR).The sensitivity related to currency risk is disclosed below.

The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates between USD and INR:

	As at 31 March 2021	As at 31 March 2021	As at 1 April 2019
Receivable	1.97	3.52	2.10
Payable	(3.27)	(24.96)	(21.48)
Net exposure	**(1.30)**	**(21.44)**	**(19.38)**

Sensitivity	Impact on profit/(loss) before tax	
Receivable	31 March 2021	31 March 2020
+ 5% change in currency exchange rate	0.10	0.18
- 5% change in currency exchange rate	(0.10)	(0.18)

	Impact on profit/(loss) before tax	
Payable	31 March 2021	31 March 2020
+ 5% change in currency exchange rate	(0.16)	(1.25)
- 5% change in currency exchange rate	0.16	1.25

(b) Price risk

Investment of short-term surplus funds of the Company in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Sensitivity	Impact on profit/loss before tax	
	31 March 2021	31 March 2020
+ 5% change in NAV of mutual funds	-	1.84
- 5% change in NAV of mutual funds		(1.84)

(Amounts in INR millions, unless otherwise stated)

34 Related party transactions

i) Names of related parties and related party relationship with whom transactions have taken place:

a) Entity's subsidiaries
ZAAK EPAYMENTS SERVICES PRIVATE LIMITED
MOBIKWIK FINANCE PRIVATE LIMITED
MOBIKWIK CREDIT PRIVATE LIMITED
HARVEST FINTECH PRIVATE LIMITED

b) Entity's Joint Venture
Pivotchain Solution Technologies Private Limited
(Till 31 March 2020)

c) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)

Name	Designation
Mr. Bipin Preet Singh	Managing Director & Chief Executive Officer
Ms. Upasana Taku	Chairperson, Whole-time Director & Chief Operating Officer
Mr. Rohit Shadeja	Company Secretary

ii) Transactions with related parties	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Investment in Subsidiary		
- HARVEST FINTECH PRIVATE LIMITED	9.07	6.78
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	350.27	-
(b) Impairment of Investment in Subsidiary		
- HARVEST FINTECH PRIVATE LIMITED	-	61.42
(c) Payment Gateway Cost		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	1,397.26	1,428.82
(d) Revenue from Processing transactions		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	17.03	10.54
- HARVEST FINTECH PRIVATE LIMITED	-	0.21
(e) Funds transferred to Subsidiary Company		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	679.98	701.10
- HARVEST FINTECH PRIVATE LIMITED	8.90	6.50
(f) Funds received from Subsidiary Company		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	676.62	851.25
- HARVEST FINTECH PRIVATE LIMITED	1.67	-
(g) Advance received from Subsidiary Company		
- MOBIKWIK FINANCE PRIVATE LIMITED	-	3.72
- MOBIKWIK CREDIT PRIVATE LIMITED	-	3.71
(h) Advance repaid to Subsidiary Company		
- MOBIKWIK FINANCE PRIVATE LIMITED	26.77	-
- MOBIKWIK CREDIT PRIVATE LIMITED	26.65	-
(i) Cost recovery (expenses incurred by Company on behalf of)		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	61.64	43.57
- HARVEST FINTECH PRIVATE LIMITED	-	1.21
(j) Interest income from loan to the Subsidiary Company*		
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	19.43	35.98
- HARVEST FINTECH PRIVATE LIMITED	0.20	0.47
(k) Interest Cost on loan from the Subsidiary Company		
- MOBIKWIK FINANCE PRIVATE LIMITED	2.84	2.63
- MOBIKWIK CREDIT PRIVATE LIMITED	2.83	2.62
(l) Interest income from loan to the Joint Venture		
- PIVOTCHAIN SOLUTION TECHNOLOGIES PRIVATE LIMITED	-	0.27
(m) Remuneration to Key Management Personnel (KMP)		
Compensation of key management personnel of the Company		
Short-term employee benefits	28.42	28.69
Post-employment gratuity	0.76	0.75
Other long term employee benefits	0.36	0.21
Share based payments	0.13	0.16

(Amounts in INR millions, unless otherwise stated)

iii) Outstanding balances with related parties	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a) Salary Payable			
- Mr. Bipin Preet Singh	20.86	14.31	4.23
- Ms. Upasana Taku	21.62	15.05	4.24
- Mr. Rohit Shadeja	0.59	0.56	0.25
(b) Advances from Subsidiary			
- MOBIKWIK FINANCE PRIVATE LIMITED	-	26.77	20.68
- MOBIKWIK CREDIT PRIVATE LIMITED	-	26.65	20.59
(c) Payable to Merchants			
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	7.89	1.69	1.58
(d) Receivable from Payment Gateway Companies			
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	263.05	331.81	284.13
(e) Recoverable (expenses incurred by Company on behalf of)			
- MOBIKWIK FINANCE PRIVATE LIMITED	0.81	-	-
- MOBIKWIK CREDIT PRIVATE LIMITED	0.46	-	-
(f) Loan to Subsidiary			
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	6.96	317.57	348.09
- HARVEST FINTECH PRIVATE LIMITED	-	1.66	1.51
(g) Loans and Advances (Forex cards)			
- Mr. Bipin Preet Singh	0.03	0.03	0.03
- Ms. Upasana Taku	1.61	1.65	0.32
(h) Loan to Joint venture			
- Pivotchain Solution Technologies Private Limited	-	1.01	1.73
(i) Receivables			
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	61.64	-	0.29
- HARVEST FINTECH PRIVATE LIMITED	-	1.41	-
(j) Investments in Subsidiaries			
- ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	350.41	0.14	0.14
- MOBIKWIK FINANCE PRIVATE LIMITED	25.00	25.00	25.00
- MOBIKWIK CREDIT PRIVATE LIMITED	25.00	25.00	25.00
- HARVEST FINTECH PRIVATE LIMITED	9.07	-	54.64

(iv) Terms and conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

(v) Disclosure required under Sec 186(4) of the Companies Act 2013

Full particulars of loans given, investment made, guarantee given, security provided together with purpose in terms of Section 186(4) of the Companies Act,2013

Investment Made Particulars	No of shares held	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
HARVEST FINTECH PRIVATE LIMITED	813,439 equity shares of INR 10/- each	9.07	6.78	54.64
ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	11,345 equity shares of INR 10/- each	350.27	-	-

Loans Given Particulars	Purpose	Interest rate (p.a)	Secured/ Unsecured	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
ZAAK EPAYMENTS SERVICES PRIVATE LIMITED	Working Capital	10.75%	Unsecured	6.96	317.57	348.09
HARVEST FINTECH PRIVATE LIMITED	Working Capital	10.75%	Unsecured	-	1.66	1.51
Pivotchain Solution Technologies Private Limited	Working Capital	15.00%	Unsecured	-	1.01	1.73

(Amounts in INR millions, unless otherwise stated)

35 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a) Claims against the Company not acknowledged as debts:			
Income tax matters for financial year 2016-17*	583.00	-	-
Other income tax matters	4.14	4.14	4.14
Amount paid under protest relating to Other income tax matters	0.83	0.83	0.83

* Subsequent to the year end, the Company has received an assessment order dated 15 June 2021 imposing a demand of INR 583.00 million on account of additions made under section 68 of the Income Tax Act, 1961 for the financial year 2016-17. The said demand has been made by the assessing officer, in respect of documents sought for the identity of the investor, their creditworthiness and genuineness of the funding received by the Company during the said financial year. Basis the facts of the matter and the advice obtained from tax counsel, the Company believes that this demand is not tenable and is most likely to be set aside upon hearing of writ petition filed by the Company with High Court.

(b) The Company does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
(c) The Company does not have any amounts which were required to be transferred to the Investor Education and Protection Fund.

36 Impact of COVID-19

The Company has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, receivables and other current assets. In estimating the provision for loss on loans guaranteed by the Company, it has considered internal and external sources of information including economic forecasts and industry reports up to the date of approval of these financial statements. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used available sources of information. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

37 During the year ended 31 March 2018 and 31 March 2017, out of proceeds of INR 707.50 million and INR 472.52 million respectively received by Company by way of preferential allotment of preference shares, the Company had not kept INR 451.73 million and INR 100 million from respective years proceeds in a separate bank account and inadvertently utilised these amounts for payments towards business purposes before allotment of shares to the investors. The management believes that by allotting shares to respective investors within the timeframe of 60 days, the overall intent and spirit of Section 42 of the Companies Act, 2013 was duly complied with. Further, subsequent to year end on 19 April 2021, the Company has also filed an application before the Registrar of Companies, National Capital Territory of Delhi for compounding of these non-intentional non- compliances under section 441 of the Companies Act, 2013, read with section 42 & 450 of the Companies Act, 2013. In the opinion of the management, no material liability is likely to arise on account of above-mentioned contravention.

38 In February 2019, the Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company noted that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on the available facts and information, the Company has complied with the Supreme Court ruling for Provident Fund contribution from the date of Supreme Court Order. Effective April 2019, the Company made certain changes in compensation structure of employees to avoid any possible ambiguity in respect of definition of basic wages for the purpose of the EPF Act. Further, the Company has paid the recorded liability for the month of March 2019 during the year ended 31 March 2021.

39 Right-of-use assets - Leases

The Company's leased assets primarily consist of lease of office space.

Company as a lessee

Below are the carrying amounts of right-of-use assets recognised and the movements during the year

Cost

Particulars	Office space	Total
As at 1 April 2019	**64.16**	**64.16**
Additions	-	-
As at 31 March 2020	**64.16**	**64.16**
Termination/ End of lease contract	(64.16)	(64.16)
As at 31 March 2021	**-**	**-**

Accumulated depreciation

Particulars	Office space	Total
As at 1 April 2019	**-**	**-**
Charge for the year	20.66	20.66
As at 31 March 2020	**20.66**	**20.66**
Charge for the year	8.86	8.86
Termination/ End of lease contract	(29.52)	(29.52)
As at 31 March 2021	**-**	**-**

Net carrying amount

As at 31 March 2021	-	-
As at 31 March 2020	**43.50**	**43.50**
As at 1 April 2019	**64.16**	**64.16**

(Amounts in INR millions, unless otherwise stated)

Amounts recognised in profit or loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation expense on right-of-use assets	8.86	20.66
Interest expense on lease liability	1.97	5.78
Expenses relating to short-term leases	0.75	4.03

The following is the movement in lease liabilities during the year

	As at 31 March 2021	As at 31 March 2020
Opening balance	50.62	66.53
Additions	-	-
Amounts recognised in statement of profit and loss as interest expense	1.97	5.78
Payment of lease liabilities	(10.84)	(21.69)
Derecognition (Refer Note-1)	(41.75)	-
Closing balance	**-**	**50.62**

The following is the break-up of current and non-current lease liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current	-	19.84	15.90
Non-current	-	30.78	50.63

Amounts recognised in statement of cash flows

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases	10.84	21.69

Notes:

(1) During the year ended 31 March 2021, the Company has terminated the lease contract on account of COVID 19 and gain/ loss on termination of such lease contract has been recognized in Statement of Profit and Loss under the head "Other Income".

(2) When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average pre-tax rate applied is 10% p.a.

(3) The maturity analysis of lease liabilities is presented in Note 33

40 Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Company, is given below

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1. Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	6.77	11.27	7.79
- Principal amount due to micro and small enterprises	6.77	10.84	7.79
- Interest due on above	-	0.43	-
2. Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
3. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
4. Amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.43	-
5. 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

41 First Time Adoption of Ind AS

As stated in note 2, the standalone financial statements for the year ended 31 March 2021 are the first annual standalone financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Company has prepared its standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Company has prepared standalone financial statements which comply with Ind AS applicable for periods ending on 31 March 2021, together with the comparative period data as at and for the year ended 31 March 2020, as described in the summary of significant accounting policies. In preparing these standalone financial statements, the Company's opening balance sheet was prepared as at 1 April 2019, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP standalone financial statements, including the balance sheet as at 1 April 2019 and the standalone statement of profit and loss for the year ended 31 March 2020.

A Exemptions applied :

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS.
The Company has applied the following exemptions:

a) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment including capital work-in-progress as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets including intangible assets under development covered by Ind AS 38 Intangible assets.

Accordingly, the Company has elected to measure its property, plant and equipment and Intangible assets at their previous GAAP carrying value.

b) Leases

Ind AS 101 allows an entity to determine whether an arrangement existing at the date of transition to Ind ASs contains a lease in accordance with Ind AS 116, on the basis of facts and circumstances existing at that date.

The standard provides an option to apply Ind AS 116 on transition date either using full retrospective method or modified retrospective method along with some available practical expedients

Accordingly, the Company has elected to follow full retrospective method for transition to Ind AS 116.

c) Share based payment

Ind AS 101 allows an entity not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Company has elected to use exemption and has not applied Ind AS 102 on the options granted and vested before the date of transition to Ind AS.

d) Investments in subsidiaries

Ind AS 101 provides the exemption for investments in subsidiaries, joint ventures and associates to be measured at :
a) At cost determined in accordance of Ind AS 27, or
b) Deemed cost
The deemed cost of an investment for this purpose is either its:
• Fair value at the date of transition
• The previous GAAP carrying amount of the investment.

The Company has elected to carry its investments in subsidiaries at deemed cost being carrying amount under previous GAAP on the transition date.

d) Revenue

The Company has applied Ind AS 115 'Revenue from contracts with customers' to contracts that are not completed on transition date. Further, the Company has applied full retrospective approach on transition date subject to some practical expedients as prescribed by the standard.

B The following mandatory exceptions have been applied :

a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates as at 1 April 2019 and 31 March 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP.
The Company made estimates for following item in accordance with Ind AS at the date of transition as this was not required under previous GAAP:
- Impairment of financial assets based on expected credit loss model.
- Impairment loss on financial guarantee obligation based on expected credit loss model.
- Incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets.
- Determination of fair value of equity-settled share based transaction.
- Determination of the discounted value for financial instruments carried at amortised cost.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets into amortised cost or FVTOCI on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on the facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification and measurement of financial assets into amortised cost or FVTOCI based on the facts and circumstances that exist on the date of transition.

c) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choice provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

d) Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(Amounts in INR millions, unless otherwise stated)

C Statements of reconciliation between the previous GAAP and Ind AS are as under:
Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following table presents the reconciliation from regrouped previous GAAP to Ind AS.

(a) Reconciliation of equity as at 1 April 2019

Particulars	Notes	Regrouped previous GAAP*	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		11.66	-	11.66
Right-of-use assets	1 & 6	-	64.16	64.16
Other intangible assets		0.01	-	0.01
Financial assets				
(i) Investments		104.78	-	104.78
(ii) Loans	6	16.52	(3.06)	13.46
(iii) Other financial assets		1.00	-	1.00
Non-current tax assets		49.86	-	49.86
Other non-current assets		2.18	-	2.18
Total non-current assets		**186.01**	**61.10**	**247.11**
Current assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables	4	171.15	(5.26)	165.89
(iii) Cash and cash equivalents		321.64	-	321.64
(iv) Bank balances other than (iii) above		1,489.87	-	1,489.87
(v) Loans	6	353.52	-	353.52
(vi) Other financial assets		392.52	-	392.52
Other current assets		279.74	0.77	280.51
		3,008.44	**(4.49)**	**3,003.95**
Assets classified as held for sale		10.00	-	10.00
Total current assets		**3,018.44**	**(4.49)**	**3,013.95**
Total assets		**3,204.45**	**56.61**	**3,261.06**
Equity and liabilities				
Equity				
Equity share capital		10.05	-	10.05
Instruments entirely equity in nature		127.27	-	127.27
Other equity	1, 3, 4, 5, 6, 9 & 10	199.76	(165.90)	33.86
Total equity		**337.08**	**(165.90)**	**171.18**
Liabilities				
Non-current liabilities				
Financial liabilities	5			
(i) Borrowings	1	130.00	(0.39)	129.61
(ii) Lease liabilities		-	50.63	50.63
(iii) Other financial liabilities		0.35	-	0.35
Provisions		16.91	-	16.91
Total non-current liabilities		**147.26**	**50.24**	**197.50**
Current liabilities				
Financial liabilities	1			
(i) Borrowings		594.70	-	594.70
(ii) Lease liabilities	10	-	15.90	15.90
(iii) Trade payables	9	736.03	-	736.03
(iv) Other financial liabilities		1,343.32	87.19	1,430.51
Contract liabilities		10.00	69.18	79.18
Other current liabilities		28.79	-	28.79
Provisions		7.27	-	7.27
Total current liabilities		**2,720.11**	**172.27**	**2,892.38**
Total liabilities		**2,867.37**	**222.51**	**3,089.88**
Total equity and liabilities		**3,204.45**	**56.61**	**3,261.06**

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

(Amounts in INR millions, unless otherwise stated)

(b) Reconciliation of equity as at 31 March 2020

Particulars	Notes	Regrouped previous GAAP*	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		7.88	-	7.88
Right-of-use assets	1 & 6	-	43.50	43.50
Other intangible assets		-	-	-
Financial assets				
(i) Investments		50.14	-	50.14
(ii) Loans	6	16.13	(2.19)	13.94
(iii) Other financial assets		-	-	-
Non-current tax assets		89.49	-	89.49
Other non-current assets		2.73	-	2.73
Total non-current assets		**166.37**	**41.31**	**207.68**
Current assets				
Financial assets				
(i) Investments	2	35.00	1.72	36.72
(ii) Trade receivables	4	170.15	(4.62)	165.53
(iii) Cash and cash equivalents		81.02	-	81.02
(iv) Bank balances other than (iii) above		1,974.20	-	1,974.20
(v) Loans		321.01	-	321.01
(vi) Other financial assets		378.93	-	378.93
Other current assets	6	157.14	0.52	157.66
		3,117.45	**(2.38)**	**3,115.07**
Assets classified as held for sale		-	-	-
Total current assets		**3,117.45**	**(2.38)**	**3,115.07**
Total assets		**3,283.82**	**38.93**	**3,322.75**
Equity and liabilities				
Equity				
Equity share capital		10.05	-	10.05
Instruments entirely equity in nature		133.25	-	133.25
Other equity	1-10	(119.76)	(167.19)	(286.95)
Total equity		**23.54**	**(167.19)**	**(143.65)**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	5	12.72	(0.11)	12.61
(ii) Lease liabilities	1	-	30.78	30.78
(iii) Other financial liabilities		0.35	-	0.35
Provisions		18.24	-	18.24
Total non-current liabilities		**31.31**	**30.67**	**61.98**
Current liabilities				
Financial liabilities				
(i) Borrowings		575.36	-	575.36
(ii) Lease liabilities	1	-	19.84	19.84
(iii) Trade payables	10	555.49	-	555.49
(iv) Other financial liabilities	1, 9 & 10	2,065.31	91.52	2,156.83
Contract liabilities	8 & 9	-	64.09	64.09
Other current liabilities		26.35		26.35
Provisions	9	6.46		6.46
Total current liabilities		**3,228.97**	**175.45**	**3,404.42**
Total liabilities		**3,260.28**	**206.12**	**3,466.40**
Total equity and liabilities		**3,283.82**	**38.93**	**3,322.75**

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

(Amounts in INR millions, unless otherwise stated)

(c) Reconciliation of total comprehensive income for the year ended 31 March 2020

	Notes	Regrouped previous GAAP for the year ended 31 March 2020*	Ind-AS Adjustments	Ind AS for the year ended 31 March 2020
Income				
Revenue from operations	8 & 9	3,064.84	(8.55)	3,056.29
Other income	2 & 6	214.37	3.23	217.60
Total income		**3,279.21**	**(5.32)**	**3,273.89**
Expenses				
Employee benefits expense	3 & 7	453.88	203.00	656.88
Impairment of investment		61.42	-	61.42
Other expenses	1, 4, 6, 9 & 10	3,476.13	(30.74)	3,445.39
Total expenses		**3,991.43**	**172.26**	**4,163.69**
Earning before interest, tax, depreciation and amortisation (EBITDA)		**(712.22)**	**(177.58)**	**(889.80)**
Finance costs	1 & 5	98.78	6.06	104.84
Depreciation and amortisation expenses	1 & 6	5.95	20.65	26.60
Loss for the year		**(816.95)**	**(204.29)**	**(1,021.24)**
Other comprehensive income (OCI)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of net defined benefit liability	7	-	7.55	7.55
Other comprehensive income for the year		**-**	**7.55**	**7.55**
Total comprehensive loss for the year		**(816.95)**	**(196.74)**	**(1,013.69)**

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

(Amounts in INR millions, unless otherwise stated)

(d) Reconciliation of cash flows

Particulars	Regrouped Previous GAAP*	Ind AS adjustments	Ind AS
For the year ended 31 March 2020			
Net cash generated from/(used in) operating activities	(237.55)	21.70	(215.85)
Net cash generated from/(used in) investing activities	199.22	-	199.22
Net cash generated from/(used in) financing activities	(202.29)	(27.36)	(229.65)
Net increase/(decrease) in cash and cash equivalents	**(240.62)**	**(5.66)**	**(246.28)**
Cash and cash equivalents as at 31 March 2019	321.64	(494.70)	(173.06)
Cash and cash equivalents as at 31 March 2020	81.02	(500.36)	(419.34)

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

Notes to the reconciliation mentioned below:

1 Leases

Under Ind AS, all lease contracts, with limited exceptions for short term and low value leases, are recognized in the standalone financial statements by way of right of-use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-Use asset" (ROU) and a corresponding "lease liability". The rental expenses recognised in statement of profit and loss for the year ended 31 March 2020 under previous GAAP has been replaced by the recognition of depreciation expense on ROU asset and interest expense on lease liability. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	4.60	(1.24)	3.36
Balance sheet			
- Other equity	4.60	(1.24)	3.36
- Right-of-use asset	61.93	(19.95)	41.98
- Lease liabilities- Non Current	(50.63)	19.84	(30.79)
- Lease liabilities- Current	(15.90)	(3.94)	(19.84)
- Other financial liabilities	-	5.29	5.29
Statement of Profit and Loss			
- Depreciation and amortisation expense	-	19.95	-
- Finance cost	-	5.78	-
- Other expenses	-	(26.97)	-

2 Fair valuation of investment in mutual funds

Under previous GAAP, current investment in mutual funds are carried in the standalone financial statements at lower of cost and fair value at each reporting date. Under the Ind AS, investments in mutual funds are measured at fair value through profit or loss at each reporting date. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	(1.72)	(1.72)
Balance sheet			
- Other equity	-	(1.72)	(1.72)
- Investments	-	1.72	1.72
Statement of Profit and Loss			
- Other income	-	(1.72)	-

3 Employee Stock Option Plan

Under previous GAAP, the company recognised only the intrinsic value for the equity settled share based payment plan as an expense. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Accordingly, the related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	-	-
Balance sheet			
- Retained earnings	29.01	195.45	224.46
- Employee share options reserve	(29.01)	(195.45)	(224.46)
Statement of Profit and Loss			
- Employee benefits expense	-	195.45	-

4 Impairment of trade receivables

As per Ind AS, the Company is required to apply expected credit loss model (ECL) for recognising loss allowance for doubtful debts. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	5.26	(0.64)	4.62
Balance sheet			
- Other equity	5.26	(0.64)	4.62
- Allowance for doubtful debts	(5.26)	0.64	(4.62)
Statement of Profit and Loss			
- Other expenses/(income)	-	(0.64)	-

5 Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP the Company recognised processing costs on borrowings as incurred. At the date of transition, the Company elected to defer processing costs over the expected life of the borrowings which were outstanding on the date of transition. Accordingly, the related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	(0.39)	0.28	(0.11)
Balance sheet			
- Other equity	(0.39)	0.28	(0.11)
- Borrowings	0.39	(0.28)	0.11
Statement of Profit and Loss			
- Finance cost	-	0.28	-

6 Security deposit

Under previous GAAP, the Company recognised interest free deposit at transaction value, however under Ind AS, the security deposits are required to be recognised at fair value. The difference between the present value and the principal amount of the deposit paid for the lease assets at inception to be accounted for as deferred lease assets, which would be recognised as an expense on a straight line basis over the lease term and for other deposits amount would be recognized as amortization of prepaid expense. Correspondingly, there will be interest income accrued on the discounted value of deposits. Other deposits (utility deposits) are payable on demand and have no contractual period, hence there are no previous GAAP differences for these demand deposits.
The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	0.06	0.08	0.14
Balance sheet			
- Other equity	0.06	0.08	0.14
- Other non-current financial assets	(3.06)	0.87	(2.19)
- Right-of-use asset	2.23	(0.70)	1.53
- Prepaid expense- Rent	0.77	(0.25)	0.52
Statement of Profit and Loss			
- Other income	-	(0.87)	-
- Depreciation and amortisation expense	-	0.70	-
- Other expenses	-	0.25	-

7 Remeasurement differences

Under previous GAAP, there was no concept of other comprehensive income and hence, previous GAAP profit is reconciled to total comprehensive income as per Ind AS. Under previous GAAP, the remeasurements of the net defined benefit liability were recognised in the statement of profit and loss. Under Ind AS, the said remeasurement differences net of the related tax impact are recognised in other comprehensive income. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	-	-
Statement of Profit and Loss			
- Employee benefits expense	-	7.55	-
- Re-measurement gains/(losses) on defined benefit plans	-	(7.55)	-

8 Deferred revenue

Under previous GAAP, revenue from sale of services is recognised as the service is performed. Under Ind AS, the transaction price pertaining to contract for sale of services to customers is required to be allocated between the identified performance obligation of sale of services on the basis of relative standalone selling price. Therefore, deferred revenue pertaining to unsatisfied performance obligation of services has been recognised with corresponding adjustment to revenue from operations. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	5.00	5.00
Balance sheet			
- Other equity	-	5.00	5.00
- Deferred revenue	-	(5.00)	(5.00)
Statement of Profit and Loss			
- Revenue from operations	-	5.00	-

9 Incentives to users

Under previous GAAP, the Company expensed Super cash incentives granted to its users as and when the same was utilised by the users. Under Ind AS the Company reasonably estimates the amount expected to be utilized by users for recognition as marketing or promotional expense at the reporting date. Further under previous GAAP, the Company recognised the incentives (Cashbacks and Super Cash) to users of MobiKwik platform in the statement of profit and loss as promotional expense. Under Ind AS, the Cashback incentives where a convenience fees is charged from the user is recorded as reduction from revenue. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below:

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	69.18	(10.08)	59.10
Balance sheet			
- Other equity	69.18	(10.08)	59.10
- Customer incentives	(69.18)	10.08	(59.10)
Statement of Profit and Loss			
- Revenue from operations	-	3.55	-
- Other expenses	-	(13.63)	-

10 Financial Guarantee Obligation

Under Ind AS, financial guarantee contracts are accounted as financial liabilities and measured initially at fair value and subsequently as given in note 2(n). The definition of financial guarantee contract has been detailed out in the note on "Summary of significant accounting policies". Also refer note - 33. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below:

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	87.19	9.62	96.81
Balance sheet			
- Other equity	87.19	9.62	96.81
- Other financial liabilities	(87.19)	(9.62)	(96.81)
Statement of Profit and Loss			
- Other expenses	-	9.62	-

42 Events after the reporting period
Subsequent to the year end, following events have been occurred:

(a) The Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 23 June 2021 and consequently the name of the Company has changed to "ONE MOBIKWIK SYSTEMS LIMITED" pursuant to a fresh certificate of incorporation by the Registrar of Companies on 25 June 2021.

(b) The Board of Directors and shareholders of the Company at their meeting held on 20 June 2021 and 22 June 2021 respectively, have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each. Further, in addition to the aforesaid, capitalisation of securities premium of the Company for issuance of 3:1 bonus shares on fully paid equity shares having face value of INR 2 per share have also been approved.

- Number of equity shares (as on 31 March 2021)	1,004,994
- Number of Equity shares post stock split (1 equity share into 5 equity shares)	5,024,970
- Number of Equity shares with bonus shares (3 bonus shares foe each equity share)	20,099,880

Note: The impact of above mentioned stock split and issue of bonus shares have been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for all periods presented.

(c) The existing ESOP pool of 228,213 fully paid-up Equity Shares in the Company of face value of INR 10 each has been adjusted and increased to 4,564,260 fully paid-up Equity Shares in the Company of face value of INR 2 each to give effect of stock split and bonus issue of equity shares of the Company as mentioned above in point (b).

43 Information reported to the Company's Chief Executive Officer (CEO) (the Chief Operating Decision Maker (CODM)) for the purposes of resource allocation and assessment of segment performance is focused on the degree of homogeneity of products, services and material businesses. Segment's performance is evaluated at consolidated level based on segment revenue, segment results and adjusted earnings before interest, taxes, depreciation and amortisation (adjusted EBITDA).

For management purposes, the Company is organised into business segments based on its services and has three reportable segments, as follows:
Segment A - Consumer Payments
Segment B - Buy now pay later (BNPL)
Segment C - Payment Gateway

The financial information for these reportable segments has been made, in compliance to para to para 4 of Ind AS 108 (Operating Segments), in the consolidated financial statements of the Company.

44 The Company has incurred losses in the current year and in previous periods and has generated negative cash flow from operations in the current year and previous periods. The Company has net worth of INR 1.06 million and a significant negative working capital position (i.e. its current liabilities exceed its current assets) as on 31 March 2021. However, the Company subsequent to the balance sheet date raised substantial capital aggregating to INR 2,073.58 million from investors. Further, based on the current business plan and projections prepared by the management, the Company expects to achieve growth in its operations in the coming year with continuous improvement in operational efficiency. The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not be a going concern in the year ahead considering, amongst other things, the funding received subsequent to year end, expected growth in operations and available credit limits with banks.

In view of the above, management has concluded that the going concern assumption is appropriate. Accordingly, the standalone financial statement do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABP7813

Place: Gurugram
Date: 06 July 2021

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson,
Whole-time Director
& Chief Operating Officer
DIN:02979387

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date: 06 July 2021

INDEPENDENT AUDITORS' REPORT

To the Members of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the consolidated financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income (loss)), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated loss and other comprehensive income (loss), consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

As set out in Note 40 to the consolidated financial statements, during the year ended 31 March 2018 and 31 March 2017, out of proceeds of INR 707.50 million and INR 472.52 million, respectively received by the Holding Company by way of preferential allotment of preference shares, the Holding Company had not kept INR 451.73 million and INR 100 million from respective years proceeds in a separate bank account and inadvertently utilised these amounts for payment towards business purposes before allotment of shares to the investors in contravention of section 42 of the Companies Act, 2013. Subsequent to year end 31 March 2021, on 19 April 2021, the Holding Company has filed an application before the Regional Director (Northern Region), Registrar of Companies, Delhi and Haryana for compounding of this contravention. Pending regularisation of the above non-compliance, it is not possible to quantify the extent to which the liability, if any, may materialise on the Holding Company and its consequential impact on the consolidated financial statements, on the regularisation of this non-compliance.

This matter was also qualified by previous auditors in the previous year.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income (loss), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

a) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of INR 813.19 million as at 31 March 2021, total revenues of INR 193.24 million and net cash flows amounting to INR 56.87 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the audit reports of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

b) The comparative financial information of the Company for the year ended 31 March 2020 and the transition date opening balance sheet as at 1 April 2019 included in these consolidated financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by the predecessor auditor whose reports for the year ended 31 March 2020 and 31 March 2019 dated 14 December 2020 and 09 December 2019 respectively expressed a modified opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

   Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) Subject to matter described in Basis for Qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income (loss)), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) The qualification relating to maintenance of accounts and other matters connected therewith is as stated in the 'Basis for Qualified Opinion' paragraph above.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and one of its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Further, three subsidiary companies incorporated in India have been exempted from the requirement of its auditor reporting on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

The Holding Company was a private limited company till 31 March 2021 and its subsidiary companies incorporated in India are also private limited companies, accordingly the requirements as stipulated by the provisions of section 197(16) of the Act were not applicable to the Holding Company and its subsidiary companies incorporated in India.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Gajendra Sharma
Partner
Membership No. 064440
UDIN: 21064440AAAABQ7461

Place: Gurugram
Date: 6 July 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such subsidiary company incorporated in India.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Place: Gurugram
Date: 6 July 2021

Gajendra Sharma
Partner
Membership No. 064440
UDIN: 21064440AAAABQ7461

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)
Consolidated balance sheet as at 31 March 2021
(Amounts in INR millions, unless otherwisestated)

	Notes	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Assets				
Non-current assets				
Property, plant and equipment	4	9.39	8.00	11.86
Right-of-use assets	42	-	43.50	64.16
Goodwill	6	-	-	48.63
Other intangible assets	5	-	-	0.32
Financial assets				
(i) Investments	7(a)	7.70	-	-
(ii) Loans	7(b)	22.09	15.94	15.47
(iii) Other financial assets	7(c)	61.50	10.46	3.56
Deferred tax assets	29	26.43	33.91	50.99
Non-current tax assets (net)	20	150.06	158.60	88.13
Other non-current assets	8	418.62	2.73	2.18
Total non-current assets		**695.79**	**273.14**	**285.30**
Current assets				
Financial assets				
(i) Investments	7(a)	-	36.72	-
(ii) Trade receivables	9	376.04	167.60	166.18
(iii) Cash and cash equivalents	10	603.33	87.05	324.85
(iv) Bank balances other than (iii) above	10	1,439.96	2,081.69	1,713.42
(v) Loans	7(b)	2.10	1.77	3.91
(vi) Other financial assets	7(c)	990.81	545.71	501.02
Other current assets	8	123.36	185.68	346.16
		3,535.60	**3,106.22**	**3,055.54**
Assets classified as held for sale	11	-	-	10.00
Total current assets		**3,535.60**	**3,106.22**	**3,065.54**
Total assets		**4,231.39**	**3,379.36**	**3,350.84**
Equity and liabilities				
Equity				
Equity share capital	12(a)	10.05	10.05	10.05
Instruments entirely equity in nature	12(b)	144.27	133.25	127.27
Other equity	13	(354.45)	(451.82)	(153.05)
Total equity		**(200.13)**	**(308.52)**	**(15.73)**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	14	-	12.61	129.61
(ii) Lease liabilities	42	-	30.78	50.63
(iii) Other financial liabilities	16	0.35	1.35	1.35
Provisions	17	23.14	18.24	16.91
Total non-current liabilities		**23.49**	**62.98**	**198.50**
Current liabilities				
Financial liabilities				
(i) Borrowings	14	580.48	624.78	604.71
(ii) Lease liabilities	42	-	19.84	15.90
(iii) Trade payables	15			
(a) Total outstanding dues of micro enterprise and small enterprises		6.77	11.27	7.86
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		845.09	613.21	752.95
(iv) Other financial liabilities	16	2,828.55	2,253.69	1,645.76
Contract liabilities	18	77.26	64.09	79.18
Other current liabilities	19	57.21	31.56	54.44
Provisions	17	12.67	6.46	7.27
Total current liabilities		**4,408.03**	**3,624.90**	**3,168.07**
Total liabilities		**4,431.52**	**3,687.88**	**3,366.57**
Total equity and liabilities		**4,231.39**	**3,379.36**	**3,350.84**
Summary of significant accounting policies	2			

The notes referred to above form an integral part of the consolidated financial statements. As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABQ7461

Place: Gurugram
Date : 06 July 2021

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson
Whole-time Director
& Chief Operating Officer
DIN:02979387

Dilip Bidani
Chief Financial Officer
Place: Gurugram
Date : 06 July 2021

Rahul Luthra
Company Secretary

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)
Consolidated Statement of Profit and Loss for the year ended 31 March 2021
(Amounts in INR millions, unless otherwisestated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	21	2,885.71	3,556.75
Other income	22	136.85	141.79
Total income		**3,022.56**	**3,698.54**
Expenses			
Employee benefits expense	23	530.31	656.89
Impairment of goodwill	27	-	48.63
Other expenses	26	3,510.39	3,839.39
Total expenses		**4,040.70**	**4,544.91**
Earning before interest, tax, depreciation and amortisation (EBITDA)		**(1,018.14)**	**(846.37)**
Finance costs	24	71.35	107.14
Depreciation and amortisation expenses	25	13.14	26.99
Loss before tax		**(1,102.63)**	**(980.50)**
Current tax	29	2.89	1.62
Deferred tax	29	7.48	17.08
Total tax expense		**10.37**	**18.70**
Loss for the year		**(1,113.00)**	**(999.20)**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of net defined benefit liability	30	3.02	7.55
Other comprehensive income for the year		**3.02**	**7.55**
Total comprehensive loss for the year		**(1,109.98)**	**(991.65)**
Loss for the year attributable to:			
-Owners of the Company		(1,113.00)	(999.20)
		(1,113.00)	**(999.20)**
Other comprehensive income for the year attributable to:			
-Owners of the Company		3.02	7.55
		3.02	**7.55**
Total comprehensive loss for the year attributable to:			
-Owners of the Company		**(1,109.98)**	**(991.65)**
Earnings per share:	28		
- Loss per share (Basic and Diluted)		(22.18)	(20.45)
Summary of significant accounting policies	2		

The notes referred to above form an integral part of the consolidated financial statements. As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABQ7461

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson
Whole-time Director
& Chief Operating Officer
DIN:02979387

Place: Gurugram
Date : 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram Date : 06 July 2021

(Amounts in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax		(1,102.63)	(980.50)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation of property, plant and equipment	25	4.28	6.01
Amortisation of intangible assets	25	-	0.32
Depreciation on Right of use asset	25	8.86	20.66
Interest income	22	(59.09)	(85.96)
Provision for doubtful advances	26	1.01	-
Loss on sale/disposal of property, plant and equipment (net)	26	0.43	
Gain/(loss) on disposal of investments	22	(1.40)	(13.74)
Fair value gain/(loss) on financial assets measured at FVTPL	22	-	(1.72)
Gain on termination of lease contract	22	(8.48)	-
Share-based payment expense	23	31.16	232.53
Finance costs	24	71.35	107.14
Impairment of Goodwill	27	-	48.63
Financial guarantee expense	26	583.67	496.52
Impairment loss recognised on trade receivables	22 & 26	1.15	(0.64)
Operating profit/(loss) before working capital changes		**(469.69)**	**(170.75)**
Changes in			
Trade receivables		(209.59)	(0.78)
Other financial assets		(446.74)	(48.94)
Other assets		(353.55)	159.93
Loans		(5.96)	2.37
Other bank balances (Escrow and Nodal accounts)		570.19	(431.11)
Other financial liabilities		94.93	114.06
Contract liabilities		13.17	(15.08)
Trade payables		416.75	294.68
Other liabilities		25.65	(22.88)
Provisions		14.13	8.07
Cash generated from operations		**(350.71)**	**(110.43)**
Income tax (paid)/refund (net)		5.65	(72.09)
Net cash generated from operating activities		**(345.06)**	**(182.52)**
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		-	0.04
Purchase of property, plant and equipment		(6.09)	(2.19)
Investment in mutual funds		-	(35.00)
Proceeds from sale of mutual funds		38.12	-
Investment in National Payment Corporation of India		(7.70)	-
Proceed from sale of Investment in Pivotchain Solution Technologies Private Limited		-	23.74
Interest received on bank deposits		60.09	89.07
Investments in bank deposits not considered in cash and cash equivalents		(236.98)	(15.35)
Redemption of bank deposits not considered in cash and cash equivalents		257.48	71.29
Net cash used in investing activities		**104.92**	**131.60**
Cash flow from financing activities			
Proceeds from issues of preference shares	12	998.30	35.74
Proceeds from short term borrowings (Net)		-	75.00
Repayment of short-term borrowings		(75.00)	(100.00)
Repayment of non-convertible debenture		(114.55)	(120.00)
Payment of lease liabilities		(10.84)	(21.69)
Interest and other borrowing cost		(72.19)	(101.00)
Net cash generated from financing activities		**725.72**	**(231.95)**
Net increase in cash and cash equivalents		**485.58**	**(282.87)**
Cash and cash equivalents at the beginning of the year	10	**(462.73)**	**(179.86)**
Cash and cash equivalents at the end of the year (note 10)		**22.85**	**(462.73)**
Non-cash investing activities			
Fair value change in Mutual Funds (Refer note 22)		-	1.72

(Amounts in INR millions, unless otherwise stated)

Notes

1. Changes in liabilities arising from financing activities

	As at 31 March 2021	As at 31 March 2020
Non convertible debentures		
Opening balance	**139.88**	**259.61**
Amortisation of interest and other charges on borrowings	10.83	28.41
Repayments during the year - Principal	(114.55)	(120.00)
Repayments during the year - Interest	(10.71)	(28.14)
Closing balance	**25.45**	**139.88**
Short term borrowings (excluding bank overdraft)		
Opening balance	**75.00**	**100.00**
Additions during the year	-	75.00
Repayments during the year	(75.00)	(100.00)
Closing balance	**-**	**75.00**

2. The above statement of cash flow from operating activities has been prepared under the "Indirect method" as set out in IND AS-7 "Statement of cash flows".

Summary of significant accounting policies 2

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABQ7461

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson
Whole-time Director
& Chief Operating Officer
DIN:02979387

Place: Gurugram
Date : 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date : 06 July 2021

(Amounts in million INR, unless otherwise stated)

(a) Equity share capital (refer note 12(a) and 46)

Equity shares of INR 10 each issued, subscribed and fully paid up	Amount
As at 1 April 2019	**10.05**
Equity share capital issued during the year	-
As at 31 March 2020	**10.05**
Equity share capital issued during the year	-
As at 31 March 2021	**10.05**

(b) Instruments entirely equity in nature

(i) Cumulative compulsorily convertible preference shares (CCCPS) of INR 10 each issued, subscribed and fully paid up (refer note 12(b))

Particulars	Amount
As at 1 April 2019	**1.57**
Preference share capital issued during the year	-
As at 31 March 2020	**1.57**
Preference share capital issued during the year	-
As at 31 March 2021	**1.57**

(ii) Cumulative compulsorily convertible preference shares (CCCPS) of INR 100 each issued, subscribed and fully paid up (refer note 12(b))

Particulars	Amount
As at 1 April 2019	**125.70**
Preference share capital issued during the year	5.98
As at 31 March 2020	**131.68**
Preference share capital issued during the year	11.02
As at 31 March 2021	**142.70**

(c) Other equity (refer note 13)

Particulars	Money received against share warrants	Share application money pending allotment	Reserve and surplus			Total other equity
			Securities premium	Employee share options reserve	Retained earnings	
Balance as at 1 April 2019	**9.75**	**0.37**	**6,365.60**	**29.01**	**(6,557.78)**	**(153.05)**
Total comprehensive loss for the year ended 31 March 2020						
Loss for the year	-	-	-	-	(999.20)	(999.20)
Other comprehensive income for the year, net of tax	-	-	-	-	7.55	7.55
Total comprehensive loss	**-**	**-**	**-**	**-**	**(991.65)**	**(991.65)**
Transactions with owners, recorded directly in equity						
Employee share based payment expense	-	-	-	232.53	-	232.53
Share application money adjusted	-	(0.37)	-	-	-	(0.37)
Securities premium on CCPS shares issued, refer note 13	-	-	460.72	-	-	460.72
Balance as at 31 March 2020	**9.75**	**-**	**6,826.32**	**261.54**	**(7,549.43)**	**(451.82)**
Total comprehensive loss for the year ended 31 March 2021						
Loss for the year	-	-	-	-	(1,113.00)	(1,113.00)
Other comprehensive income for the year, net of tax	-	-	-	-	3.02	3.02
Total comprehensive loss	**-**	**-**	**-**	**-**	**(1,109.98)**	**(1,109.98)**
Transactions with owners, recorded directly in equity						
Employee share based payment expense	-	-	-	31.16	-	31.16
Share application money received	-	36.51	-	-	-	36.51
Securities premium on CCPS shares issued, refer note 13	-	-	1,139.68	-	-	1,139.68
Balance as at 31 March 2021	**9.75**	**36.51**	**7,966.00**	**292.70**	**(8,659.41)**	**(354.45)**

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
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Bipin Preet Singh
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Upasana Taku
Chairperson
Whole-time Director
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DIN:02979387

Place: Gurugram
Date : 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date : 06 July 2021

1. Corporate Information

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) ("the Holding Company" or "the Company") was incorporated on 20 March 2008 under the Companies Act, 1956. The registered office and corporate office of the Holding Company are situated in Gurugram, Haryana. The principal place of business of the Group is in India.

The principal activities of the Group (i.e., the Holding Company and its subsidiaries) consist of issuing and operating prepaid payment instrument (Wallet Payment System) and providing payment gateway services. The Holding Company was authorised by Reserve Bank of India for issuance and operation of mobile based pre-payment instruments subject to terms and conditions detailed in the certificate of authorisation dated 18 July 2013 for five years, which was subsequently extended to 30 September 2023 vide renewal certificate dated 30 September 2020. The users use their MobiKwik wallet for transferring money, for paying their utility bills (prepaid recharge, post-paid mobile, landline, electricity, TV, etc.) and for shopping online on e-commerce websites. The Holding Company has also rolled out financial services platform facilitating various loans product in association with financing partners. The registered office of the Holding Company is situated at 5th Floor, Huda City Centre Metro Station, Sector 29, Gurugram, Haryana.

These Consolidated Financial Statements were authorised for issue in accordance with a resolution passed by Board of Directors on 6 July 2021.

2. Significant accounting policies

2.1 Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2020, the Company prepared its consolidated financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

These consolidated financial statements for the year ended 31 March 2021, are the first the Company has prepared in accordance with Ind AS. The transition to Ind AS has been carried out from accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), for purposes of Ind AS 101 (First Time Adoption of Indian Accounting Standard). Refer to Note 44 for detailed information on how the Company transitioned to Ind AS.

2.2 Basis of preparation and presentation

The Consolidated Financial Statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the head of finance.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the board of directors.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

When measuring the fair value of an asset or a liability, the Group 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.

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest INR millions as per the requirement of Schedule III, unless otherwise stated.

The preparation of these Consolidated Financial Statements requires the use of certain critical accounting judgements and estimates. It also requires the management to exercise judgement in the process of applying the Group’s accounting policies. The areas where estimates are significant to the Consolidated Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 Basis of consolidation

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Consolidated Financial Statements include the financial information of ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED) and its subsidiaries as set out below.

(Amounts in INR millions, unless otherwise stated)

Name of the Company	Country of Incorporation	% of Holding		
		31 March 2021	31 March 2020	1 April 2019
ZAAK EPAYMENT SERVICES PRIVATE LIMITED	India	100	100	100
MOBIKWIK FINANCE PRIVATE LIMITED	India	100	100	100
MOBIKWIK CREDIT PRIVATE LIMITED	India	100	100	100
HARVEST FINTECH PRIVATE LIMITED	India	100	100	100

2.4 Summary of significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these Consolidated Financial Statements.

a) Current versus non-current classification

The Group presents assets and liabilities in balance sheet based on current/non-current classification. An asset is classified as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle
(ii) Held primarily for the purpose of trading
(iii) Expected to be realised within twelve months after the reporting period, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

(i) It is expected to be settled in normal operating cycle
(ii) It is held primarily for the purpose of trading
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b) Revenue from contract with customers

The Group derives revenue primarily from following services:

- Commission income from sale of recharge, bill payments and merchant payments
- Fees for money transfer service from user's wallet to bank account
- Revenue from share in interest income, processing fee and servicing of loans
- Revenue from technology platform services
- Payment gateway services
- Income from advertisement/sale of space

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied upon transfer of control of service to a customer.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring good or service to a customer excluding taxes or duties collected on behalf on

Government. An entity estimates the transaction price at contract inception, including any variable consideration, and updates the estimate each reporting period for any changes in circumstances.

Variable consideration such as discounts, volume based incentives, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) is estimated using the expected value method or most likely amount as appropriate in a given circumstance. An entity includes estimates of variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

The Group provides incentives to its users in various forms including cashbacks and supercash. Cashbacks and supercash given to users where the Group recovers a convenience fee are classified as reduction of revenue. However, when these incentives offered to the users are higher than the income earned from the users, the excess (i.e., the incentive given to a user less income earned from the users) on an individual transaction basis is classified under business promotion expenses.

Where the Group acts as an agent for selling goods or services, only the commission income is included within revenue. Typically, the Group has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

The Group's contracts with customers may include multiple performance obligations. For such arrangements, the Group allocate revenues to each performance obligation based on its relative standalone selling price. The Group generally determine standalone selling prices based on the prices charged to customers or using expected cost-plus margin.

Commission income from sale of recharge, bill payments and merchant payments:

The Group facilitates recharge of talk time, utility bill payments and merchant payments and earns commission for the respective services. Commission income is recognized when the control of services is transferred to the customer i.e. when the services have been provided by the Group.

Such commission is generally determined as a percentage of monetary value of transactions processed or gross merchandise value. The Group typically contracts with merchants, financial institutions, or affiliates of those parties. Contracts stipulate the types of services and articulate how fees will be incurred and calculated. Commission income are recognized each day based on the value of transaction at the time the transactions are processed.

Amount received by the Group pending settlement are disclosed as payable to the merchants under other financial liabilities.

Fees for money transfer service from user's wallet to bank account:

Commission on money transfer represents the amount earned from the users in the form of commission on the withdrawal of money by the users from their wallets and transfer the same to the bank accounts of their choice using the IMPS facility. Commission on money transfer is recognised on satisfaction of the associated performance obligation i.e. on transfer of money, and basis the standard agreement entered with the respective users.

Commission on payment gateway services:

The Group facilitates payment gateway services and earns commission from merchants and recognises such revenue when the control of services is transferred to the customer i.e. when the services have been provided by the Group. Such commission is generally determined as a percentage of transaction value processed by the Group.

Revenue from share in interest income, processing fee, servicing of loans and delayed payment penalty fees:

Share in interest income is earned on the loans to users by respective lending partners. This income is shared by the Group as per terms of agreement with service providers and accounted on accrual basis. Processing fees is recognised on satisfaction of associated performance obligation i.e. on sourcing of customers for lending partners and when amount of loan or credit is transferred to the user's wallet based on standard agreements entered with the respective lending partners. Servicing fee related to loan facilitation services, collection, monitoring etc is recognised over the tenure of loan. Penalty fees for customer defaults i.e. delayed payment of instalment of loan product, is recognised as revenue on receipt of payment from customer.

Revenue from technology platform services:

The Group has contracts with customers to provide technology platform services, in the form of service of design, development, operation and maintenance of technology-based products, one-time integration, setup and technology fee, etc. either independently or bundled with merchants, transaction processing and loan processing services. The Group typically contracts with financial institutions and merchant aggregators. Contracts stipulate the types of services and articulate how fees will be incurred and calculated. Service fee for design and development of technology-based products are recognised over the period of satisfaction of relative performance obligation i.e. development of product.

The services of one-time integration, setup, and technology fee, etc. are generally billed to the customers upfront. However, the underlying obligation to keep up and run the platform continues for the entire period of the contract with customer, and the pattern of benefits to the customer from such services rendered is generally even, throughout the period of contract. Revenue against such upfront technology platform service fee is recognized on a straight-line basis over a period (i.e. over the contractual term).

Income from advertisement/sale of space:

Revenue from sale of advertisement space is recognised, on satisfaction of associated performance obligation i.e. as and when the relevant advertisement is displayed on the application.

Contract balance

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section l) Financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). The Group recognises contract liability for consideration received in respect of unsatisfied performance obligations and reports these amounts as "Deferred revenue" or "Advance from customers" in the balance sheet. Provisions for customer incentives are also reported as contract liabilities.

c) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

d) Leases

The Group's leased assets primarily consist of leases for office space. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes periods covered by extension options when it is reasonably certain that they will be exercised and includes periods covered by termination options when it is reasonably certain that they will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflect that the Group exercise a purchase option. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy below on "Impairment of non- financial assets".

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset (or in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero) if the Group changes its assessment if whether it will exercise an extension or a termination or a purchase option.

The interest cost on lease liability (computed using effective interest method), is expensed in the statement of profit and loss.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group has elected to account for all COVID-19-related rent concession that meets all of the following conditions in the same way as they would if they were not lease modification:

(a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.

(b) any reduction in lease payments affects only payments originally due on or before the 30 June 2021.

(c) there is no substantive change to other terms and conditions of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

f) Foreign currency transactions and translations

The functional currency of the Group is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Treatment of exchange differences

Exchange differences on monetary items are recognised in the Profit or Loss in the period in which they arise.

g) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity, compensated absences and other incentives to employees.

Post-employment and termination benefit costs

Payments to defined contribution benefit plans (i.e. provident fund and employee state insurance scheme) are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprises actuarial gains and losses which is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

Short-term and other long-term employee benefits

A liability is recognised for short-term employee benefits accruing to employees in respect of salaries, annual leave and sick leave, performance incentives etc. in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit.

The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

h) Share-based payments

Employees of the Group also receive remuneration in the form of share-based payment transactions under Group's Employee stock option plan (ESOP)-2014.

Equity-settled transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

i) Taxation

Income tax expense comprises represents the sum of the tax currently tax payable and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have enacted or substantially enacted by the end of the reporting period.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

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 also recognised in respect of carried forward tax losses and tax credits.

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;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group 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; and
- taxable temporary differences arising on the initial recognition of goodwill.

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 Group 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

j) Non-current assets held for sale

Non-current assets (or disposal group comprising assets and liabilities) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Additional disclosures are provided in Note 11.

k) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates then separately based on their specific useful lives.

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. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation and amortisation

Depreciation is provided on the written down value method. The estimated useful life of each asset as prescribed under Schedule II of the Companies Act, 2013 and based on technical assessment of internal experts (after considering the expected usage of the asset, expected physical wear and tear, technical and commercial obsolescence and understanding of past practices and general industry experience) are as depicted below:

Assets category	Estimated useful life
Computers	3 Years
Furniture & fixtures	10 Years
Office equipment	5 Years
Server & Network Equipment	6 Years

Deprecation on addition to the property, plant and equipment is provided on pro rata basis from the date the assets are acquired/ installed. Deprecation on sale/ deduction of plant, property and equipment assets is provided for upto the date of sale and deduction.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2019 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

l) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives determined based on technical assessment of internal experts. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Assets category	Estimated useful life
Computer software	5 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of 1 April 2019 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets (unless it is a trade receivable without a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets andfinancial liabilities at fair value through profit or loss are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial instruments

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

A financial asset that meet the following conditions are subsequently measured at amortised cost (except for financial asset that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument 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 Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments financial assets that meet the amortised cost criteria or the FVTOCI criteria may irrevocably be but are designated as at FVTPL are measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement of financial instruments

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 on derecognition is recognised in profit or loss.
Debt instruments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in

	profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity instruments at FVTOCI	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.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For measurement of loss allowance in case of financial guarantee contracts, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group applies a three-stage approach to measure ECL on financial guarantee contracts. The underlying receivables of debtors migrate through the following three stages based on the change in credit quality since initial recognition.

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized. Exposures with DPD equal to 31 days but less than or equal to 89 days are classified as stage 2. At each reporting date, the Group assesses whether there has been a significant increase in credit risk for underlying receivables of debtors since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

Stage 3: Lifetime ECL – credit impaired

Receivable of debtor is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For receivable of debtors that have become credit impaired, a lifetime ECL is recognized on principal outstanding as at period end.

Exposures with DPD equal to or more than 90 days are classified as stage 3.

The definition of default for the purpose of determining ECLs has been aligned to the Reserve Bank of India definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due.

The measurement of all expected credit losses for financial guarantee contracts held at the reporting date are based on historical experience, current conditions, and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in a separate component of equity wherein fair value changes are accumulated, and does not reduce the carrying amount of the financial asset in the balance sheet.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation:

(i) to deliver cash or another financial asset to another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or

(b) a contract that will or may be settled in the entity's own equity instruments and is:

(i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Other financial liabilities are subsequently measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of a qualifying asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with Ind AS 109 (see section of impairment of financial assets above); and

- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Although the fee income from financial guarantee contracts is recognised in accordance with the principles of Ind AS 115, the financial guarantee contract is in the scope of Ind AS 109 and the fee income from it is not revenue from contracts with customers. The Group presents the fee income from financial guarantees as part of revenue from share in interest income.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Interest income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

n) Provisions and Contingent liabilities

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing The amount recognised as a provision is the best estimate of the consideration expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

The Group does not recognise a contingent liability but discloses its existence in the Consolidated Financial Statements.

o) Impairment of non – financials assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units. Each cash-generating unit represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or cash-generating units. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has identified Consumer payments, Buy now pay later (BNPL) and Payment Gateway as its operating segments. Consumer payment segment includes merchant fee collected from a merchant when a user purchases goods or services from merchant and pays via MobiKwik Wallet. Further, it also includes convenience fees collected from users in certain categories. Buy Now Pay Later (BNPL) segment includes our BNPL offerings - MobiKwik Zip (which is our flagship 15-day BNPL product), Zip EMI (which is a longer tenure credit product) and other credit products. It also includes revenue from fintech products and platforms services specifically designed to drive our credit business and amounts received from online promotions on such platforms. Zip product includes revenue in the form of a) Merchant fee collected from a merchant when a user pays with Zip on a merchant, b) one time Zip activation fee collected from a user and c) late fees collected from those users who repay their Zip due amount after the due date. Payment gateway segment includes merchant fee collected from e-Commerce merchants (websites/apps) for enabling them to collect payments from their users using multiple payment options including debit and credit cards, wallets, unified payments interface (UPI) and net banking.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the Consolidated Financial Statements of the Group as a whole. Segment revenue and segment expenses have been identified to segments based on their relationship to the operating activities of the segment. Assets and liabilities are used interchangeably between segments and hence not allocated to any segment.

Revenue and expenses which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue or expenses.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential equity shares except where the results are anti-dilutive.

r) Measurement of EBITDA

As permitted by the Guidance Note on Division II – Ind AS Schedule III to the Companies Act, 2013, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Consolidated Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense. Finance costs comprise interest expense on: borrowings, bank overdraft, lease liability and late payment of statutory dues.

2.5 Recent pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. The amendments are extensive, and the Group will evaluate the same to give effect to them as required by law.

3. Significant accounting judgements, estimates and assumptions

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

a) Revenue from contracts with customers

The Group applied judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers, such as identifying performance obligations, wherein, the Group provides multiple services as part of the arrangement. The Group allocated the portion of the transaction price to services basis on its relative standalone prices.

Before including any amount of variable consideration in the transaction price, the Group considers whether the amount of variable consideration is constrained. The Group determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

b) Determining lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has some property lease arrangements with its vendors that include option to terminate the contract by either party at any time by giving advance notice or by the Group as per its discretion. The Group applied judgment in evaluating whether it is reasonably certain to exercise the termination option. It considered all the factors that create economic incentive for the Group to continue with lease or terminate including alternatives available for the office lease, use of underlying property, leasehold improvements made and accordingly determined lease term.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Group considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group has tax business losses and unabsorbed depreciation carried forward amounting to INR 7,190.79 million (31 March 2020: INR 6,678.20 million; 1 April 2019: INR 6,008.02 million). The Group does not expect sufficient future taxable profit against which such tax losses can be utilised. On this basis, the Group has not recognised deferred tax assets on these carried forward tax losses. Refer Note 29 for further details.

b) Impairment of goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. During the previous year, the Group has recognised impairment allowance of goodwill amounting to INR 48.63 million. The key assumptions used to determine the recoverable amount for the Goodwill and estimates involved in recognition of impairment loss, are disclosed, and further explained in Note 6.

c) Defined benefit plans (gratuity benefit)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Refer Note 30 for further details.

d) Useful life of assets of Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. Refer Note 4 for further details.

e) Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as stand-alone credit rating). Refer Note 42 for further details.

f) Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Also refer to note 34.

g) Fair value of equity-settled share-based transaction

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Group measures the fair value of equity-settled transactions with employees at the grant date using Black-Scholes model. The assumptions for estimating fair value for share-based payment transactions are disclosed in Note 31.

4 Property, plant and equipment

	Computers	Office equipment	Furniture and fixtures	Server & Network Equipment	Total
Cost					
Deemed cost as at 1 April 2019*	4.26	1.84	0.12	5.64	11.86
Additions	2.01	0.18	-	-	2.19
Disposals	(0.05)	-	-	-	(0.05)
As at 31 March 2020	**6.22**	**2.02**	**0.12**	**5.64**	**14.00**
Additions	6.09	-	-	-	6.09
Disposals**	(0.28)	(0.61)	0.00	-	(0.89)
As at 31 March 2021	**12.03**	**1.41**	**0.12**	**5.64**	**19.20**
Accumulated depreciation					
As at 1 April 2019	-	-	-	-	-
Charge for the year	2.84	0.92	0.03	2.22	6.01
Disposals	(0.01)	-	-	-	(0.01)
As at 31 March 2020	**2.83**	**0.92**	**0.03**	**2.22**	**6.00**
Charge for the year	2.43	0.46	0.03	1.35	4.27
Disposals***	(0.06)	(0.40)	0.00	-	(0.46)
As at 31 March 2021	**5.20**	**0.98**	**0.06**	**3.57**	**9.81**
Carrying amount					
As at 1 April 2019	**4.26**	**1.84**	**0.12**	**5.64**	**11.86**
As at 31 March 2020	**3.39**	**1.10**	**0.09**	**3.42**	**8.00**
As at 31 March 2021	**6.83**	**0.43**	**0.06**	**2.07**	**9.39**

Notes:

*The Group has elected to avail Ind AS 101 exemption to continue with the carrying value under Previous GAAP for all of its property, plant and equipment as its deemed cost on the date of transition to Ind AS.
** Includes disposal of furniture & fixtures of INR 1,435, rounded off to "0" on conversion to INR million.
*** Includes disposal of furniture & fixtures of INR 647, rounded off to "0" on conversion to INR million.

(Amounts in million INR, unless otherwise stated)

5 Other intangible assets

	Software	Total
Cost		
Deemed cost as at 1 April 2019*	0.32	0.32
Additions	-	-
As at 31 March 2020	**0.32**	**0.32**
Additions	-	-
As at 31 March 2021	**0.32**	**0.32**
Accumulated amortisation		
As at 1 April 2019	-	-
Amortisation for the year	0.32	0.32
As at 31 March 2020	**0.32**	**0.32**
Amortisation for the year	-	-
As at 31 March 2021	**0.32**	**0.32**
Carrying amount		
As at 1 April 2019	**0.32**	**0.32**
As at 31 March 2020	-	-
As at 31 March 2021	-	-

Note:
* The Group has elected to avail Ind AS 101 exemption to continue with the carrying value under Previous GAAP for all of its intangible assets as its deemed cost on the date of transition to Ind AS.

(Amounts in million INR, unless otherwise stated)

6 Goodwill

	Total
Cost	
Deemed cost as at 1 April 2019	48.63
As at 31 March 2020	**48.63**
As at 31 March 2021	**48.63**
Accumulated amortisation	
As at 1 April 2019	-
Impairment loss for the year (Refer note 1)	48.63
As at 31 March 2020	**48.63**
As at 31 March 2021	**48.63**
Carrying amount	
As at 1 April 2019	**48.63**
As at 31 March 2020	**-**
As at 31 March 2021	**-**

Notes:

1 During the year ended 31 March 2019, the Group had acquired Harvest Fintech Private Limited resulting into goodwill of INR 48.63 million. Goodwill is tested for impairment annually at each reporting date i.e. 31 March. Management determines the recoverable amount of goodwill based on value in use calculations of expected benefits over foreseeable future.

As at 31 March 2019, management has estimated cash flows projections over a period of five years, based on next year financial budgets approved by management, with extrapolation for the remaining period, and an average of the range of assumptions as mentioned below. The key assumptions used in the estimation of value in use:

Discount rate (pre-tax) - 23.89%
Discount rate (post-tax) - 19.00%
Terminal value growth rate - 1.00%
Revenue growth rate - 13.10% - 29.63%
EBITDA margin (5 years)- 70.73%

The above pre-tax discount rate is based on the Weighted Average Cost of Capital (WACC) of a comparable market participant, which is adjusted for specific risks. These estimates are likely to differ from future actual results of operations and cash flows.

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate, revenue growth rate and EBITDA margins were determined based on management's estimate.

Based on the above, no impairment was identified as at 31 March 2019 as the recoverable value exceeded the carrying value. No reasonably possible change in any of the above key assumptions would cause the carrying amount of these units to exceed their recoverable amount.

As at 31 March 2020, due to certain changes in business and economic conditions, management believes that the expected benefits will take much longer to accrue than anticipated as on 31 March 2019. The recoverable amount was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use. The carrying amount was determined to be higher than its recoverable amount, accordingly, an impairment loss of INR 48.63 was recognised during the year ended 31 March 2020. This loss has been disclosed as a separate line item in the consolidated statement of profit and loss.

2 The Group has elected to avail Ind AS 101 exemption to continue with the carrying value under Previous GAAP for all of its intangible assets as its deemed cost on the date of transition to Ind AS.

(Amounts in million INR, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
7(a)	**Investments**			
	Non-current			
	Unquoted investments (fully paid)			
	Investment in other equity instruments at Fair value through other comprehensive income (FVTOCI)			
	National Payment Corporation of India ("NPCI") (6,132 (31 March 2020 : NIL, 1 April 2019 : NIL) equity shares of INR 1,256/- each)	7.70	-	-
		7.70	**-**	**-**
	Current			
	Quoted investments			
	Investment in mutual funds at FVTPL			
	Aditya Birla Sun Life Mutual Fund - Savings Fund - Direct Growth (31 March 2021 : Number of Units : NIL , Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 39,397.04 , Market Value : INR 400.55 per unit) (01 April 2019 : Number of Units : NIL , Market Value : INR NIL per unit)	-	15.78	-
	Aditya Birla Sun Life Mutual Fund - Liquid Fund - Direct Growth (31 March 2021 : Number of Units : NIL , Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 32,627.33 , Market Value : INR 319.43 per unit) (01 April 2019 : Number of Units : NIL , Market Value : INR NIL per unit)	-	10.42	-
	Aditya Birla Sun Life Mutual Fund - Money manager Fund - Direct Growth (31 March 2021 : Number of Units : NIL , Market Value : INR NIL per unit) (31 March 2020 : Number of Units : 38,824.73 , Market Value : INR 270.84 per unit) (01 April 2019 : Number of Units : NIL , Market Value : INR NIL per unit)	-	10.52	-
		-	**36.72**	**-**
	Aggregate amount of quoted investments	-	36.72	-
	Aggregate amount of un-quoted investments	7.70	-	-
	Aggregate Cost of quoted investments	-	35.00	-

Note:

1. The investments in mutual funds were under lien to Aditya Birla Finance Limited in respect of the short term borrowings availed from them (refer note 14). During the year ended 31 March 2021, these mutual funds have been adjusted against the said short term borrowings.

2. The investment in other equity instruments are not held for trading. Instead, these are held for medium to long-term strategic purposes. Accordingly, the Group has elected to designate this investment in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in this investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investment for long-term purposes and realising their performance potential in the long run (Refer note 32)

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
7(b)	**Loans (measured at amortised cost)**			
	Non - current			
	Unsecured, considered good unless stated otherwise			
	Security deposits	22.09	15.94	15.47
		22.09	**15.94**	**15.47**
	Current			
	Unsecured, considered good unless stated otherwise			
	Security deposits	2.10	0.76	2.18
	Loan (Refer note 1 below and note 37)			
	- considered good, unsecured	-	1.01	1.73
	Unsecured, credit impaired			
	Loan (Refer note 1 below)	1.01	-	-
	Less: Provision for doubtful balances	(1.01)	-	-
		2.10	**1.77**	**3.91**
	Total loans	**24.19**	**17.71**	**19.38**

Notes:

1. It represents loan given to Pivotchain Technologies Private Limited (related party till 31 March 2020) which carries interest rate of 15 % p.a and repayable on demand.

2. The fair value of loans carried at amortized cost is disclosed in note 32

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
7(c)	**Other financial assets (measured at amortised cost)**			
	Non-current			
	Unsecured, considered good unless stated otherwise			
	Bank deposits with remaining maturity for more than twelve months (refer note 10)	61.50	10.46	3.56
		61.50	**10.46**	**3.56**
	Current			
	Unsecured, considered good unless stated otherwise			
	Amount recoverable from payment gateway banks	486.27	497.98	393.57
	Amount recoverable from users and business partners	474.25	26.36	81.34
	Interest accrued on deposits	14.23	15.87	20.12
	Other recoverables	16.06	5.50	5.99
		990.81	**545.71**	**501.02**
	Unsecured, credit impaired			
	Amount recoverable from payment gateway banks	2.31	2.31	2.31
	Receivable from users (Refer note 1 below)	95.38	95.38	95.38
	Less: Allowance for doubtful balances	(97.69)	(97.69)	(97.69)
		-	**-**	**-**
		990.81	**545.71**	**501.02**
	Total other financial assets	**1,052.31**	**556.17**	**504.58**

Notes:

1. Represents amounts receivable from users on account of a fraud in IMPS transactions in year ended 31 March 2018. Pending collection of these amounts, the amounts have been fully provided for in the books of account. The Group is in the process of recovering the amounts. The total amount of transfer through the above mode was INR 200.24 million, out of which INR 104.86 million has been recovered.

(Amounts in million INR, unless otherwise stated)

8 Other assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Unsecured, considered good unless otherwise stated			
Advance to suppliers	414.99	-	-
Amount paid under protest (Refer Note 38)	0.83	0.83	0.83
Prepaid expenses	1.40	0.50	-
Balances with government authorities	1.40	1.40	1.35
Total	**418.62**	**2.73**	**2.18**
Current			
Unsecured, considered good unless otherwise stated			
Advance to vendors (Aggregators)	67.82	127.72	86.08
Advance to suppliers	23.42	28.25	30.65
Advance to employees	2.33	1.98	0.49
Balances with government authorities			
GST/ Service tax credit	7.34	15.57	205.20
GST/ Service tax credit not due	10.27	3.54	15.91
Prepaid expenses	10.66	8.62	7.83
Advance paid to customers	1.52	-	-
Current			
Unsecured, considered doubtful			
Advance to vendors (Aggregators)	2.05	2.05	2.05
Advances to employees	0.03	0.03	0.03
Balances with government authorities	7.51	7.51	7.51
Less: Provision for doubtful advances	(9.59)	(9.59)	(9.59)
Total	**123.36**	**185.68**	**346.16**

9 Trade receivables

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Unsecured, considered good unless stated otherwise			
Trade receivables	376.04	167.60	166.18
Trade receivables - Credit impaired	5.77	4.62	5.26
Less: Allowance for doubtful debts	(5.77)	(4.62)	(5.26)
Total	**376.04**	**167.60**	**166.18**

Notes:

a) Trade receivables are non-interest bearing and the average credit period is between 30 to 60 days.

b) The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix under simplified approach. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. Based on internal assessment which is driven by the historical experience and current facts available in relation to default and delays in collection thereof, the credit risk for these trade receivables is considered low.

c) The Group writes off a trade receivable when there is information indicating that the customer is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the customer has been placed under liquidation or has entered into bankruptcy proceedings.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer segments.

	Expected credit loss - Default Risk Rate (%)		
Ageing	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	0.00%	0.00%	0.00%
1-30 days past due	0.00%	0.00%	0.00%
31-60 days past due	0.01%	0.00%	0.01%
61-90 days past due	0.46%	0.30%	0.46%
91-180 days past due	9.95%	15.67%	9.95%
181-365 days past due	21.26%	30.99%	21.26%
365 days - 3 years past due	100.00%	100.00%	100.00%
Over 3 years	100.00%	100.00%	100.00%

	Expected credit loss - Delay Risk Rates(%)		
Ageing	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	0.00%	0.00%	0.00%
1-30 days past due	0.12%	0.10%	0.12%
31-60 days past due	0.40%	0.32%	0.40%
61-90 days past due	0.76%	0.64%	0.76%
91-180 days past due	1.38%	1.16%	1.38%
181-365 days past due	2.86%	2.33%	2.86%
365 days - 3 years past due	0.00%	0.00%	0.00%
Over 3 years	0.00%	0.00%	0.00%

Age of receivables	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Within the credit period	253.61	163.14	100.00
1-30 days past due	69.31	2.27	5.11
31-60 days past due	15.51	-	50.19
61-90 days past due	8.59	0.65	-
91-180 days past due	22.67	1.11	1.61
181-365 days past due	12.09	0.94	12.72
365 days - 3 years past due	0.03	3.90	1.77
Over 3 years	-	0.21	0.04
	381.81	**172.22**	**171.44**

Movement in the expected credit loss allowance	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Balance at beginning of the year	4.62	5.26	-
Movement in expected credit loss allowance on trade receivables	1.15	(0.64)	5.26
Balance at end of the year	**5.77**	**4.62**	**5.26**

10 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Cash on hand*	0.00	0.00	0.00
Balance with banks			
- On current accounts	603.33	87.05	324.85
Total cash and cash equivalents	**603.33**	**87.05**	**324.85**
Total cash and cash equivalents	603.33	87.05	324.85
Less: Bank overdraft	(580.48)	(549.78)	(504.71)
Cash balance for the purposes of consolidated statement of cash flows	**22.85**	**(462.73)**	**(179.86)**
Bank balances other than cash and cash equivalents			
Deposits with			
- Remaining maturity for more than three months but less than twelve months**	230.86	302.40	365.24
- Remaining maturity for more than twelve months**	61.50	10.46	3.56
	292.36	**312.86**	**368.80**
Less: amount disclosed under non-current bank deposits	(61.50)	(10.46)	(3.56)
	230.86	**302.40**	**365.24**
Balances with banks:			
In Nodal account***	87.79	65.54	180.41
In Escrow account****	1,121.31	1,713.75	1,167.77
Total	**1,439.96**	**2,081.69**	**1,713.42**

* Includes cash on hand of INR 280, rounded off to "0" on conversion to INR million
** These deposits includes lien marked bank deposits of INR 174.59 million (31 March 2020 : INR 61.9 million, 1 April 2019 : INR 108.81 million).
***The Group uses the Nodal account to receive money when wallet is used as payment gateway for settlement of the transactions with the merchants.
****A charge has been created by bank against the balance lying in the escrow account as per the RBI regulations for semi closed wallet. The amount in escrow account includes a bank deposit of INR 500 million.

11 Assets classified as held for sale

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Investment in Joint ventures (fully paid up)			
Pivotchain Solution Technologies Private Limited (refer note (i) and (ii) below)			
(a) Nil (31 March 2020 : NIL; 1 April 2019 : 10) Equity shares of 10/- each	-	-	0.04
(b) Nil (31 March 2020 : NIL; 1 April 2019 : 2,685) Compulsory Cumulative convertible preference shares of 10/- each	-	-	9.96
Total	**-**	**-**	**10.00**

(i) The Group had intentions to dispose off the above investments as at 1 April 2019. No impairment loss was recognised on reclassification of the investments held for sale as the management of the Group expects that the fair value (based on the actual transaction price) is higher than the carrying amount.

(ii) The Group invested in Pivotchain Solution Technologies Private Limited on 1 September 2018 through purchase of CCPS and Equity shares. The total investment by the Group in Pivotchain aggregated to INR 10 million. During the year ended 31 March 2020, the Group had sold the investment to SOV Funds I Pte Ltd. & Eden Ventures Pte Ltd. for a total amount of INR 23.74 million.

12 Equity share capital

12(a) Equity share capital

Authorised equity share capital	Equity Shares (Face Value = INR 10/-)**		Class A - Equity Shares (Face Value = INR 10/-)**	
	Number of shares	Amount	Number of shares	Amount *
As at 1 April 2019	1,106,741	11.07	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2020	1,106,741	11.07	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2021	**1,106,741**	**11.07**	**20**	**0.00**

* Represent Class A equity shares of INR 200, rounded off to "0" on conversion to INR million
** Subsequent to year end, the Holding Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance of bonus shares (refer Note 46).

Issued equity share capital (subscribed and fully paid up)	Number of shares	Amount	Number of shares	Amount *
As at 1 April 2019	1,004,974	10.05	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2020	1,004,974	10.05	20	0.00
Increase/decrease during the year	-	-	-	-
As at 31 March 2021	**1,004,974**	**10.05**	**20**	**0.00**

* Represent Class A equity shares of INR 200, rounded off to "0" on conversion to INR million
** Subsequent to year end, the Holding Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance of bonus shares (refer Note 46).

12(b) Instruments entirely equity in nature

Authorised preference share capital	Cumulative compulsory convertible preference shares (CCCPS) (Face value INR 100 per share)		Cumulative compulsory convertible preference shares (CCCPS) (Face value INR 10 per share)	
	Number of shares	Amount	Number of shares	Amount
As at 1 April 2019	1,538,678	153.87	156,899	1.57
Increase/decrease during the year	54,185	5.42	**-**	**-**
As at 31 March 2020	**1,592,863**	**159.29**	**156,899**	**1.57**
Increase/decrease during the year	223,729	22.37	**-**	**-**
As at 31 March 2021	**1,816,592**	**181.66**	**156,899**	**1.57**

Notes to the consolidated financial statements for the year ended 31 March 2021 (Amounts in million INR, unless otherwise stated)

Issued cumulative compulsory convertible preference shares (CCCPS) (subscribed and fully paid up)

Particulars	As at 1 April 2019		Increase/decrease during the year		As at 31 March 2020		Increase/decrease during the year		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Total of Face Value INR 10 Per Share -										
Series A CCCPS	109,779	1.10	-	-	109,779	1.10	-	-	109,779	1.10
Series B2 CCCPS	47,120	0.47	-	-	47,120	0.47	-	-	47,120	0.47
Total	**156,899**	**1.57**	**-**	**-**	**156,899**	**1.57**	**-**	**-**	**156,899**	**1.57**
Total of Face Value INR 100 Per Share -										
Series A1 CCCPS	172,536	17.25	-	-	172,536	17.25	-	-	172,536	17.25
Series A2 CCCPS	23,615	2.36	-	-	23,615	2.36	-	-	23,615	2.36
Series A3 CCCPS	17,806	1.78	-	-	17,806	1.78	-	-	17,806	1.78
Series B1 CCCPS	175,922	17.59	-	-	175,922	17.59	-	-	175,922	17.59
Series B3 CCCPS	52,834	5.28	-	-	52,834	5.28	-	-	52,834	5.28
Series B4 CCCPS	89,844	8.98	-	-	89,844	8.98	-	-	89,844	8.98
Series C1 CCCPS	84,469	8.45	-	-	84,469	8.45	-	-	84,469	8.45
Series C2 CCCPS	181,007	18.10	-	-	181,007	18.10	-	-	181,007	18.10
Series C3 CCCPS	120,665	12.07	-	-	120,665	12.07	-	-	120,665	12.07
Series C4 CCCPS	-	-	-	-	-	-	-	-	-	-
Series C5 CCCPS	7,204	0.72	-	-	7,204	0.72	-	-	7,204	0.72
Series C6 CCCPS	5,067	0.51	-	-	5,067	0.51	-	-	5,067	0.51
Series C7 CCCPS	17,429	1.74	-	-	17,429	1.74	-	-	17,429	1.74
Series C8 CCCPS	-	-	-	-	-	-	-	-	-	-
Series C9 CCCPS	5,810	0.58	-	-	5,810	0.58	-	-	5,810	0.58
Series D CCCPS	271,050	27.11	-	-	271,050	27.11	-	-	271,050	27.11
Series E1 CCCPS	20,040	2.00	-	-	20,040	2.00	-	-	20,040	2.00
Series E2 CCCPS	9,109	0.91	-	-	9,109	0.91	-	-	9,109	0.91
Series E3 CCCPS	2,732	0.27	45,325	4.53	48,057	4.80	22,944	2.29	71,001	7.09
Series E4 CCCPS	-	-	3,643	0.36	3,643	0.36	-	-	3,643	0.36
Series E5 CCCPS	-	-	6,972	0.70	6,972	0.70	-	-	6,972	0.70
Series E6 CCCPS	-	-	3,914	0.39	3,914	0.39	-	-	3,914	0.39
Series E7 CCCPS	-	-	-	-	-	-	41,375	4.14	41,375	4.14
Series E8 CCCPS	-	-	-	-	-	-	9,970	1.00	9,970	1.00
General CCCPS	-	-	-	-	-	-	35,887	3.59	35,887	3.59
Total	**1,257,139**	**125.70**	**59,854**	**5.98**	**1,316,993**	**131.68**	**110,176**	**11.02**	**1,427,169**	**142.70**
Grand total	**1,414,038**	**127.27**	**59,854**	**5.98**	**1,473,892**	**133.25**	**110,176**	**11.02**	**1,584,068**	**144.27**

12(c) Terms/ rights attached to shares

(i) Terms/ rights attached to equity shares:

Voting

Each holder of equity share is entitled to one vote per share held.

Dividend

The Holding Company will declare and pay dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. The Holding Company has not declared or paid any dividend since its incorporation.

Liquidation

In the event of liquidation of the Holding Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Holding Company, after distribution of all preferential amounts. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

(ii) Terms/rights attached to equity shares- Class A

Voting

To the extent that, and at all times when, applicable laws do not permit the holders of the series A CCCPS or the Series A1 CCCPS to exercise voting rights on the series A CCCPS or the Series A1 CCCPS in the manner contemplated, the class A equity shares shall carry such number of votes as may be necessary to permit each holder of the Series A CCCPS or Series A1 CCCPS to vote, on all matters submitted to the vote of the shareholders of Holding Company, in such manner and such proportion as each such holder of the Series A CCCPS or Series A1 CCCPS would have been entitled to, had each such holder of the Series A CCCPS or Series A1 CCCPS elected to convert its Series A CCCPS or Series A1 CCCPS into Equity shares based on the then applicable Series A Conversion Price or Series A1 Conversion Price. At all other times and in all other events, including the event that a holder of Class A Equity Shares does not hold any Series A CCCPS or Series A1 CCCPS, then the Class A Equity Shares held by such Shareholder shall carry one(1) vote each.

Dividend

The Holding Company will declare and pay dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed. The Holding Company has not declared or paid any dividend since its incorporation.

Liquidation

In the event of liquidation of the Holding Company, the holders of Class A equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Class A equity shares held by the shareholders.

(iii) Terms/rights attached to Cumulative Compulsorily Convertible Preference Shares (CCCPS)

Terms/rights attached to Cumulative Compulsory Convertible Preference Shares (CCCPS) towards Series A, A1, A2, A3, B1, B2, B3, B4, C1, C2, C3, C5, C6, C7, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS

1 Voting

The Preference shareholders of series A, A1, A2, A3, B1, B2, B3, B4, C1, C2, C3, C5, C6, C7, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS are entitled to receive notice of and vote on all matters that are submitted to the vote of Shareholders of the Holding Company. However preference shareholder of series B2 shall have only those voting rights as are provided to preference shareholders under the Act and the right to vote on the Affirmative Vote Matters. The holder is entitled to the number of votes equal to the number of whole or fractional shares into which they could be converted.

2 Dividend

The Preference share of series A and A1 carry cumulative dividend rights at 0.0001% and series A2, A3, B1 , B2 ,B3, B4, C1, C2, C5, C7, C6, C9, D, E1, E2, E3, E4, E5, E6, E7, E8 and general CCCPS carry cumulative dividend rights at 0.001%.

3 Conversion

As per the terms of shareholders agreement dated 21 April 2016, 15 August 2016, Supplemental Deed dated 22 December 2016, Amendment Agreement dated 6 March 2017 and Share Cum Warrant Subscription Agreement dated 11 February 2017 the CCCPS may be converted into Equity Shares at any time at the option of the holder of the CCCPS. Subject to compliance with applicable Laws, each CCCPS shall automatically be converted into equity shares, at the applicable Conversion Price then in effect, upon the earlier of (i) one day prior to the expiry of 20 years from the closing date; or (ii) in connection with a IPO (or any subsequent IPO), prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Laws.

These CCCPS shall be converted into Equity Shares at the conversion price to be determined based on the formulae specified in the said shareholder's agreement dated dated 21 April 2016, 15 August 2016, Supplemental Deed dated 22 December 2016, Amendment Agreement dated 6 March 2017 and Share Cum Warrant Subscription Agreement dated 11 February 2017 respectively.

4 Liquidation

In the event of liquidation, the preference shareholders are eligible for preference of payment over any class of equity shareholders and there shall be pari-passu charge by all series of preference shareholders.

(iv) Terms/rights attached to Share Warrants towards Series C7

Terms of issue and exercise of the Warrants

Each Warrant entitles Bennett Coleman & Company Limited ("BCCL") to subscribe to and be allotted such number of Shares and/or Series C7 CCCPS, at its sole discretion, calculated as specified in the said Share Cum Warrant Subscription Agreement dated 11 February 2017. BCCL, at its sole discretion, shall be entitled to (i) exercise all or some of the Warrants; and (ii) upon such exercise, subscribe to either the Shares or Series C7 CCCPS in accordance with the proviso to Article 2.3.1(b) and as per the procedure laid down in the Agreement.

Conversion

BCCL may exercise its rights under all or some of the Series C7 CCCPS (in whole or in part) and convert the Series C7 CCCPS into Shares as per the procedure detailed in the agreement.

(Amounts in million INR, unless otherwise stated)

12(d) The Group did not have any bonus shares and shares bought back for the five years immediately preceding the reporting date.

12(e) Details of shareholders holding

Details of shareholders holding more than 5% equity shares in the Company	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number *	% Holding	Number *	% Holding	Number *	% Holding
Equity shares of INR 10 each fully paid						
Bipin Preet Singh	585,000	58.21%	585,000	58.21%	585,000	58.21%
Upasana Rupkrishan Taku	415,000	41.29%	415,000	41.29%	415,000	41.29%
Class A - Equity shares of INR 10 each fully paid						
Sequoia Capital India Investment Holdings III	10	50.00%	10	50.00%	10	50.00%
Sequoia Capital India Investments IV	10	50.00%	10	50.00%	10	50.00%

Details of shareholders holding more than 5% preference shares in the Holding Company		As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
		Number	% Holding	Number	% Holding	Number	% Holding
Sequoia Capital India Investment Holdings III	Series A CCCPS	109,779	100.00%	109,779	100%	109,779	100%
Sequoia Capital India Investments IV	Series A1 CCCPS	172,536	100.00%	172,536	100%	172,536	100%
Sequoia Capital India Investments IV	Series A2 CCCPS	23,615	100.00%	23,615	100%	23,615	100%
Sequoia Capital India Investments IV	Series A3 CCCPS	17,806	100.00%	17,806	100%	17,806	100%
Sequoia Capital India Investments IV	Series B1 CCCPS	87,864	49.94%	87,864	50%	87,864	50%
TreeLine Asia Master Fund	Series B1 CCCPS	88,058	50.06%	88,058	50%	88,058	50%
American Express Travel Related Services Co.	Series B2 CCCPS	47,120	100.00%	47,120	100%	47,120	100%
Cisco Systems (USA) PTE Ltd	Series B3 CCCPS	52,834	100.00%	52,834	100%	52,834	100%
Sequoia Capital India Investments IV	Series B4 CCCPS	62,341	69.39%	62,341	69%	62,341	69%
TreeLine Asia Master Fund	Series B4 CCCPS	27,503	30.61%	27,503	31%	27,503	31%
Sequoia Capital India Investments IV	Series C1 CCCPS	12,067	14.29%	12,067	14%	12,067	14%
TreeLine Asia Master Fund	Series C1 CCCPS	12,067	14.29%	12,067	14%	12,067	14%
GMO Global Payment Fund Investment Partnership	Series C1 CCCPS	24,134	28.57%	24,134	29%	24,134	29%
Cloud Ranger Limited	Series C1 CCCPS	36,201	42.86%	36,201	43%	36,201	43%
Net1 Applied Technologies	Series C2 CCCPS	181,007	100.00%	181,007	100%	181,007	100%
Cisco Systems (USA) Pte. Ltd.	Series C5 CCCPS	7,204	100.00%	7,204	100%	7,204	100%
Net1 Applied Technologies	Series C3 CCCPS	120,665	100.00%	120,665	100%	120,665	100%
American Express Travel Related Services Co.	Series C6 CCCPS	5,067	100.00%	5,067	100%	5,067	100%
Bennett, Coleman and Company Limited	Series C7 CCCPS	17,429	100.00%	17,429	100%	17,429	100%
GMO Global Payment Fund Investment Partnership	Series C9 CCCPS	5,810	100.00%	5,810	100%	5,810	100%
Bajaj Finance Limited	Series D CCCPS	271,050	100.00%	271,050	100%	271,050	100%
GMO Global Payment Fund Investment Partnership	Series E1 CCCPS	1,822	9.09%	1,822	9%	1,822	9%
Sequoia Capital India Investments IV	Series E1 CCCPS	18,218	90.91%	18,218	91%	18,218	91%
Net1 Applied Technologies Netherlands B.V.	Series E2 CCCPS	9,109	100.00%	9,109	100%	9,109	100%
Gaurav Manglik	Series E3 CCCPS	1,366	1.92%	1,366	3%	1,366	50%
Tianying Fu	Series E3 CCCPS	1,366	1.92%	1,366	3%	1,366	50%
Bajaj Finance Limited	Series E3 CCCPS	68,269	96.15%	45,325	94%	-	-
Trifecta Capital VDF Management LLP	Series E4 CCCPS	3,643	100.00%	3,643	100%	-	-
New Delhi Television Limited	Series E5 CCCPS	6,972	100.00%	6,972	100%	-	-
Nicolas Jarrosson	Series E6 CCCPS	3,914	100.00%	3,914	100%	-	-
Hindustan Media Ventures Ltd	Series E7 CCCPS	41,375	100.00%	-	-	-	-
Pratithi Investment Trust	Series E8 CCCPS	9,970	100.00%	-	-	-	-
Elizabeth Mathew	General CCCPS	12,048	33.57%	-	-	-	-
Mauryan First	General CCCPS	7,229	20.14%	-	-	-	-
Orios Select Fund I	General CCCPS	6,025	16.79%	-	-	-	-
Vineet Kulbandhu Sharma	General CCCPS	5,871	16.36%	-	-	-	-
		1,579,354		**1,473,892**		**1,414,038**	

* Subsequent to year end, the Holding Company have approved stock splits of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each and also approved issuance bonus shares (refer Note 46).

(Amounts in million INR, unless otherwise stated)

12(f) Other

a) Shares issued for consideration other than cash

i) The Holding Company acquired Harvest Fintech Private Limited ("Harvest") on 31 January 2019 through purchase of Harvest's equity shares and CCCPS for a total consideration of INR 54.64 million. The consideration was been paid through issue of 4,960 equity shares of INR 10 each at a premium of INR 10,297 per share to the holders of the Equity Shares and CCCPS of Harvest and balance amount was settled through bank payment of INR 3.52 million.

ii) During the year ended 31 March 2020, the Holding company has issued 6,972 Series C5 CCCPS to New Delhi Television Limited for INR 100 each at a premium of INR 8,133.50 per share in lieu of extinguishment of outstanding trade payable balance of INR 57.40 million.

iii) During the year ended 31 March 2021, the Holding Company issued 22,944 (31 March 2020 : 45,325; 1 April 2019 : Nil) Series E3 CCCPS of INR 100 each to Bajaj Finance Limited each at a premium of INR 8,133.50 per share in lieu of extinguishment of outstanding trade payable balances of INR 188.91 million (31 March 2020 : INR 373.18 million; 1 April 2019 : Nil).

b) Share reserved for issue under contracts/ commitments for the sale of shares

(i) The Holding company has reserved 228,213 (31 March 2020 - 228,213; 1 April 2019 - 128,912) number of equity shares for creating a pool of employee stock options representing 8.81% (31 March 2020 - 9.21% 1 April 2019 - 5.33%) of share capital for the benefit of eligible employees on such terms and conditions as determined by the investors and the Board of Directors (Refer note 31). For details of shares reserved for issue on conversion of CCCPS, please refer note 12(c)(iii) regarding terms of conversion/redemption of Preference shares.

Subsequent to the reporting date the ESOP Pool of 228,213 fully paid-up Equity Shares in the Company of face value of INR 10 each has been adjusted and increased to 4,564,260 fully paid-up Equity Shares in the Company of face value of INR 2 each to give effect of split and Bonus in Equity Share Capital of the Company (refer note-46).

(ii) Pursuant to the advertisement agreement and share cum warrant subscription agreement between the Holding Company and Bennett, Coleman and Company Limited (BCCL) the Holding company shall allot such number of series C7 CCCPS to BCCL against the exercise of warrants by BCCL and against the amounts payable to BCCL by the Holding Company under line of credit in accordance with the conversions basis agreed in the aforesaid agreements.

c) Shares reserved for issue under options

Information relating to the Holding Company's employee option plan (ESOP), including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note - 31.

13 Other equity

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Securities premium	7,966.00	6,826.32	6,365.60
Money received against share warrants	9.75	9.75	9.75
Share application money pending allotment	36.51	-	0.37
Employee share options reserve	292.70	261.54	29.01
Retained earnings	(8,659.41)	(7,549.43)	(6,557.78)
Total other equity	**(354.45)**	**(451.82)**	**(153.05)**

a) Securities premium:- Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
b) Money received against share warrants : Refer note 12(c)(iv) above.
c) Employee share options reserve:- Employee share option outstanding account is used to record the impact of employee stock option scheme. Refer note 31 for further detail of this plan.
d) Retained earnings:- Retained earnings are the accumulated loss made by the group till date.

ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)
Notes to the consolidated financial statements for the year ended 31 March 2021
(Amounts in million INR, unless otherwise stated)

14 Borrowings	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Secured, at amortised cost			
Non-convertible debentures (refer note 1 below)	25.45	139.88	259.61
Less: Current maturity of non-convertible debentures	(25.45)	(127.27)	(130.00)
	-	12.61	129.61
Current			
Secured, at amortised cost			
From banks :			
Bank overdraft (refer note 2 below)	580.48	549.78	504.71
Term loan	-	-	100.00
From financial institution (refer note 3 below)	-	75.00	-
	580.48	624.78	604.71

Notes:

1. The Holding Company had raised INR 300 million from Trifecta Venture Debt Fund - I through issue of 300 Series-A debentures (Non-convertible) having face value of INR 1 million at the interest rate of 14.25% p.a. (EIR 14.38% p.a.) during the year ended 31 March 2019. These debentures are secured by first pari passu charge created on present and future fixed and current assets of the Holding Company. These debentures are repayable over 30 installments starting from November 2018. Subsequently these debentures have been paid off on 1 May 2021.

2. The bank overdrafts and short term loan is secured by way of first pari passu charge on all the present and future current assets, fixed deposits and carries interest rate of 10.50% p.a. for Kotak bank, 10.10% p.a. for AXIS Bank and 8.81% p.a. for ICICI Bank.

The unutilized sanction limits for bank overdrafts and term loans:

Bank Name	Nature of Facility	Amount (31 March 2021)	Amount (31 March 2020)	Amount (01 April 2019)
AXIS Bank	Bank overdrafts	118.68	N.A.	N.A.
AXIS Bank	Short term loan	200.00	N.A.	N.A.
ICICI Bank	Bank overdrafts	1.08	0.58	-
Kotak Bank	Bank overdrafts	N.A.	-	41.14
Kotak Bank	Short term loan	N.A.	200.00	100.00
IndusInd Bank	Bank overdrafts	N.A.	N.A.	0.16

3. The Holding Company raised INR 75 million from Aditya Birla Finance Limited during the year ended 31 March 2020 as a Line of Credit at the interest rate of 12.50% p.a. and having a validity of 1 year. The Line of credit was secured by first pari passu charge created on the current assets of the Holding Company and Aditya Birla Debt Mutual Funds of INR 35 million. The Group has squared off this Line of credit during the year in entirety.

15 Trade payables	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
- Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	6.77	11.27	7.86
- Total outstanding dues of creditors other than micro enterprises and small enterprises	845.09	613.21	752.95
	851.86	624.48	760.81

16 Other financial liabilities	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Security deposits	0.35	1.35	1.35
	0.35	1.35	1.35
Current			
Current maturity of non-convertible debentures	25.45	127.27	130.00
Interest accrued on borrowings	0.31	3.23	3.15
Advance from financing partner	597.66	106.65	-
Security deposits	12.65	12.58	9.97
Advances from wallet users (User's balance)	1,010.58	1,486.04	977.97
Financial guarantee obligation*	757.22	183.42	90.39
Payable to merchants	277.93	229.85	356.27
Others	146.75	104.65	78.01
	2,828.55	2,253.69	1,645.76
Total	2,828.90	2,255.04	1,647.11

* For disclosure on inputs, assumptions and estimation techniques used in measurement of impairment loss on financial guarantee obligation, refer note 34

17 Provisions	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Non-current			
Provision for employee benefits			
Provision for gratuity*	23.14	18.24	16.91
Total	23.14	18.24	16.91
Current			
Provision for employee benefits			
Provision for gratuity*	3.81	1.07	0.75
Provision for leave encashment	8.86	5.39	6.52
Total	12.67	6.46	7.27

*For details of movement in provision for gratuity, refer note 30.

18 Contract liabilities	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current			
Deferred revenue	46.65	5.00	10.00
Customer incentives	30.47	59.09	69.18
Advance from customers	0.14	-	-
Total	77.26	64.09	79.18

(Amounts in million INR, unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
19	**Other liabilities**			
	Current			
	Statutory remittances	55.46	29.96	53.01
	Others	1.75	1.60	1.43
	Total	**57.21**	**31.56**	**54.44**

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
20	**Non-current tax asset (net)**			
	Advance tax and tax deducted at source	152.95	160.22	88.13
	Income tax payable	(2.89)	(1.62)	-
	Total	**150.06**	**158.60**	**88.13**

(Amounts in million INR, unless otherwise stated)

21 Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Consumer payments	2,094.35	2,302.26
Buy now pay later (BNPL)	598.13	743.49
Payment gateway	193.23	511.00
Total revenue from operations	**2,885.71**	**3,556.75**

The Group derives its revenue from contracts with customers for the transfer of services over time and at a point in time on the Group's available services product. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (see note 35).

21.1 Disaggregation of revenue based on timing of recognition of revenue:

a Services transferred at point in time	2,878.70	3,556.75
b Services transferred over time	7.01	-
Total revenue from contract with customers	**2,885.71**	**3,556.75**

21.2 Reconciliation of revenue recognised in statement of profit and loss with contracted price:

Revenue as per contracted price	2,893.14	3,560.30
Less: Variable consideration (including consideration payable to customer)	(7.43)	(3.55)
	2,885.71	**3,556.75**

21.3 Transaction price allocated to the remaining performance obligations:

The following table includes revenue expected to be recognised in the future related to performance obligation that are unsatisfied (or partially unsatisfied) at the reporting date:

Sale of services	77.26	64.09
	77.26	**64.09**

Note: All the remaining performance obligation are expected to be recognised within one year

21.4 Contract balances

The following table provides information about Contract liabilities from contract with customers

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Contract liabilities (refer note 18)	77.26	64.09	79.18

Significant changes in the contract liabilities balances during the year are as follows:

Deferred revenue	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening balance at the beginning of the year	**5.00**	**10.00**	**40.00**
Less: Revenue recognised from contract liability balance at the beginning of the year	-	(10.00)	(30.00)
Add: Amount received from customers during the year	45.33	5.00	-
Less: Revenue recognised from amount received during the year	(3.68)	-	-
Closing balance at the end of the year	**46.65**	**5.00**	**10.00**

Customer incentive	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening balance at the beginning of the year	**59.09**	**69.18**	**73.33**
Add: Created during the year	30.47	59.09	69.18
Less: Utilised during the year	(59.09)	(69.18)	(73.33)
Closing balance at the end of the year	**30.47**	**59.09**	**69.18**

Advance from customer	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening balance at the beginning of the year	**-**	**-**	**-**
Add: Received during the year	0.14	-	-
Less: Revenue recognised during the year	-	-	-
Closing balance at the end of the year	**0.14**	**-**	**-**

22 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income from financial assets measured at amortised cost		
- on bank deposits	58.45	84.82
- on security deposits	0.64	0.87
- on others	-	0.27
Interest on income tax refund	3.45	0.55
Liabilities / Provisions no longer required written back	63.48	38.86

Gain on disposal of investments	1.40	13.74
Fair value gain on financial assets measured at FVTPL	-	1.72
Reversal of impairment loss on trade receivables	-	0.64
Gain on termination of lease contract	8.48	-
Miscellaneous income	0.95	0.32
Total	**136.85**	**141.79**

(Amounts in million INR, unless otherwise stated)

23 Employee benefits expense	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Salaries, allowance and bonus	471.95	398.87
Gratuity expense (refer note 30)	11.77	10.93
Leave encashment expense	5.23	2.36
Contribution to provident and other funds	9.98	9.04
Employee stock options expense (refer note 31)	31.16	232.53
Staff welfare expenses	0.22	3.16
Total	**530.31**	**656.89**

24 Finance costs	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Interest expense on financial liabilities at amortised cost		
- on overdraft	43.46	59.15
- on other borrowings	19.07	36.56
- on lease liability	1.97	5.78
Interest expense on delayed payment of statutory dues	0.18	-
Others	6.67	5.65
Total	**71.35**	**107.14**

25 Depreciation and amortisation expenses	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Depreciation of property, plant and equipment (refer note 4)	4.28	6.01
Depreciation on right of use assets (refer note 42)	8.86	20.66
Amortisation of intangible assets (refer note 5)	-	0.32
Total	**13.14**	**26.99**

26 Other expenses	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Payment gateway cost	1,511.60	1,815.04
Business promotion*	803.18	934.76
Franchisee cost	121.55	173.99
Advertisement	64.24	3.66
B2B commission expense	23.20	33.41
Lease rent (Refer Note 1 below)	0.75	4.22
Rates and taxes	12.52	28.15
Communication costs	33.62	41.35
Outsource service cost	44.05	54.85
Foreign exchange loss (net)	0.73	2.08
Power and fuel	0.38	2.08
Merchant related costs	42.15	34.83
Repair and maintenance:		
-Plant and machinery	0.13	0.51
-Others	4.54	10.17
Server and related cost	57.68	37.94
Travelling and conveyance	5.72	17.66
Legal and professional fees	62.80	36.73
Lending operational expenses	67.04	33.74
Auditor's remuneration**	4.26	3.70
Insurance expenses	2.36	2.30
Software expenses	15.30	15.09
IMPS Expenses	12.90	21.39
Financial guarantee expenses	583.67	496.52
Impairment loss trade receivables	1.15	-
Provision for doubtful advances	1.01	-
Bad debts	6.98	4.36
Loss on sale/disposal of property, plant & equipment (net)	0.43	-
Miscellaneous expenses	26.45	30.86
Total	**3,510.39**	**3,839.39**

*Includes user incentive expenses amounting to INR 563.03 million (31 March 2020: INR 650.10)
**Includes payments to statutory auditors (exclusive of Goods and Service Tax)

For audit	4.05	3.60
For reimbursement of expenses	0.21	0.10
	4.26	**3.70**

Note:
1. Lease rent includes impact of lease rent concession due to COVID 19 received during the year. Consequently an amount of INR 3.10 million has been netted off from lease rent expense during the year.

(Amounts in million INR, unless otherwise stated)

27 Impairment of goodwill	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Impairment of goodwill (Refer note below)	-	48.63
	-	**48.63**

On 31 January 2019, the Group acquired 100% shareholding of Harvest Fintech Private Limited, a Company incorporated in India. The acquisition was made to diversify the Group's business. During the year ended 31 March 2020, the Company based on its assessment, had recorded impairment loss entirely allocated to goodwill.

28 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Group by the weighted average number of equity shares and CCPS outstanding during the year.

Diluted EPS are calculated by dividing the loss for the year attributable to the equity holders of the Group by weighted average number of equity shares and CCPS outstanding during the 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. The following reflects the income and share data used in the basic and diluted EPS computations:

Basic	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Loss for basic EPS being net loss attributable to owners of the Group (A)	(1,113.00)	(999.20)
Weighted average number of equity shares and CCPS in calculating basic EPS (B) (refer note 1 below)	50,180,679	48,857,559
Basic loss per equity share (A/B) (INR)	(22.18)	(20.45)
Diluted		
Loss for basic EPS being net loss attributable to owners of the Group (A)	(1,113.00)	(999.20)
Weighted average number of equity shares and CCPS in calculating basic and diluted EPS (B) (refer note 1 below)	50,180,679	48,857,559
Diluted loss per equity share (A/B) (INR)	(22.18)	(20.45)

Notes -

(1) The earnings per share reflects the impact of sub-division of 1 equity share having face value of INR 10 each into 5 equity shares having face value of INR 2 each and the bonus shares issuance in the ratio of 3:1 (refer note 46).

(2) There are potential equity shares as on 31 March 2021 and 31 March 2020 in the form of stock options granted to employees. As these are anti dilutive, they are ignored in the calculation of diluted earning/(loss) per share and accordingly the diluted earning/(loss) per share is the same as basic earnings/(loss) per share.

(Amounts in million INR, unless otherwise stated)

29 Income tax

The major components of income tax expense/(credit) are :

a) Income tax expense/(credit) recognised in Consolidated Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax		
Current income tax for the year	2.89	1.62
	2.89	1.62
Deferred tax		
Relating to origination and reversal of temporary differences	7.48	17.08
	7.48	17.08
Total income tax expense/(credit)	**10.37**	**18.70**

b) The income tax expense for the year can be reconciled to the loss before tax as follows:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax	(1,102.63)	(980.50)
Accounting profit/(loss) before income tax	**(1,102.63)**	**(980.50)**
Tax expense using the Company's tax rate of 26.00% (31 March 2020: 26.00%)	(286.68)	(254.93)
Effect of tax rates in other subsidiaries	1.01	8.16
Non-deductible expenses	0.76	8.07
Temporary differences for which no deferred tax was recognised	295.28	257.40
Tax expense at the effective income tax rate of 0.94% (31 March 2020: 1.90%)	**10.37**	**18.70**

(c) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Deferred tax asset			
Tax business losses and unabsorbed business losses	1,868.33	1,734.74	1,559.76
Property, plant and equipment and other intangible assets	0.74	1.32	0.48
Lease liabilities	-	1.85	0.62
Security deposits	-	0.57	0.80
Trade receivable	1.50	1.20	1.37
Deferred revenue	1.30	1.30	-
Customer incentive	-	7.92	-
Impairment loss on lending business	196.88	47.69	23.50
Employee benefits	9.77	6.42	6.29
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	26.17	8.61	3.32
Total	**2,104.69**	**1,811.62**	**1,596.14**
Total deferred tax assets recognised (A) (refer notes below)	**26.51**	**34.39**	**51.09**
Deferred tax liabilities			
Non-convertible debentures	0.08	0.03	0.10
Mutual funds	-	0.45	-
Total deferred tax liabilities (B)	**0.08**	**0.48**	**0.10**
Net deferred tax assets/(liabilities) (A-B)	**26.43**	**33.91**	**50.99**

Note: The amount of deferred tax assets recognised (except pertaining to subsidiary entity Zaak ePayment Services Private Limited) has been restricted to the amount of deferred tax liability recognised as on 31 March 2021, 31 March 2020 and 1 April 2019 due to lack of reasonable certainty in those years because a trend of future profitability is not yet clearly discernible.

d) Detail of deductible temporary differences and unused tax losses for which no deferred tax asset is recognised in the balance sheet:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Deductible temporary differences and unused tax losses for which no deferred tax assets have been recognised are attributable to the following:			
- tax business losses	7,144.06	6,637.06	5,973.43
- unabsorbed depreciation	46.73	41.14	34.59
- other deductible temporary differences	906.28	294.63	136.38
	8,097.07	**6,972.83**	**6,144.40**

Utilization of tax business losses is subject to expiry of 8 years. Unabsorbed depreciation can be carried forward for an indefinite period. Other deductible temporary differences do not have any expiry date.

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

(Amounts in million INR, unless otherwise stated)

30 Employee benefits

A Defined contribution plans

The Group makes contributions towards Provident Fund to a defined contribution retirement benefit plan for qualifying employees. The Group's contribution to the Employee Provident Fund is deposited with the Provident Fund Commissioner which is recognised by Income Tax authorities.

The Group has recognised INR 9.98 million during the year ended 31 March 2021 (31 March 2020: INR 9.04 million) for provident fund in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

B Defined benefit plans and other long term employee benefit plan

Gratuity - defined benefit plan

The Group’s gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' basic salary payable for each completed year of service or part thereof in excess of 6 months, subject to a maximum limit of INR 2.00 million in terms of the provisions of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.

The amount included in the consolidated statement of balance sheet arising from the Group's obligation in respect of its gratuity plan is as follows:

Gratuity - defined benefit plan	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
Present value of un-funded defined benefit obligation	26.94	19.31	17.66

a) Reconciliation of the net defined benefit liability.

Movement in the present value of defined benefit obligation are as follows :

Reconciliation of present value of defined benefit obligation for Gratuity

	As at 31 March 2021	**As at 31 March 2020**	**As at 1 April 2019**
Balance at the beginning of the year	19.31	17.66	14.13
Benefits paid	(1.11)	(1.73)	(0.41)
Current service cost	10.18	9.24	6.44
Interest cost	1.59	1.69	1.11
Actuarial (gains) losses			
- changes in demographic assumptions	(3.87)	-	-
- changes in financial assumptions	5.59	1.54	0.22
- experience adjustments	(4.75)	(9.09)	(3.83)
Balance at the end of the year	**26.94**	**19.31**	**17.66**

b) Amount recognised in Consolidated Statement of Profit and Loss :

	For the year ended 31 March 2021	**For the year ended 31 March 2020**
Current service cost	10.18	9.24
Net interest expense	1.59	1.69
Recognised in profit or loss	**11.77**	**10.93**
Remeasurement of the net defined benefit liability		
Actuarial (gain) loss on defined benefit obligation	(3.02)	(7.55)
Recognised in other comprehensive income	**(3.02)**	**(7.55)**

The most recent actuarial valuations of the present value of the defined benefit liability were carried out at 31 March 2021. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

(Amounts in million INR, unless otherwise stated)

c) The principal assumption used for the purpose of actuarial valuation are as follows:

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Discount rate	5.88% - 6.64%	6.67%	7.70%
Expected rate of salary increase	15%	10.00%	10.00%
Retirement age	58 years	58 years	58 years
Attrition rate	25.00%	10.00%	10.00%
Mortality table	India Assured Life Mortality	India Assured Life Mortality	India Assured Life Mortality

The Group regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) The plan typically exposes the Group to actuarial risks such as: interest rate, longevity risk and salary risk.

Interest rate risk

A decrease in the bond interest rate will increase the plan liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

e) 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:

For the year ended 31 March 2021	Increase	Decrease
Impact of change in discount rate by 1%	(1.06)	1.20
Impact of change in salary by 1%	0.72	(0.69)
Impact of change in employee turnover rate by 1%	(0.33)	0.35

For the year ended 31 March 2020	Increase	Decrease
Impact of change in discount rate by 1%	(1.46)	1.51
Impact of change in salary by 1%	1.08	(0.96)
Impact of change in employee turnover rate by 1%	(0.06)	0.08

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

f) The table below summarises the maturity profile and duration of the gratuity liability based on undiscounted expected future cashflows:

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1st following year	3.93	1.11	0.78
2nd following year	4.23	1.32	1.16
3rd following year	4.25	1.66	1.36
4th following year	4.23	1.93	1.68
5th following year	3.88	2.06	1.91
Sums of years 6 to 10	11.50	9.45	8.60
Total	**32.02**	**17.53**	**15.49**

(Amounts in million INR, unless otherwise stated)

31 Employee stock option plan - 2014 ("The 2014 Plan")

(a) The Holding Company established the Employees Stock Option Scheme 2014 ("ESOP 2014") which was approved by the shareholders vide their special resolution dated on 5 August 2014. Under the plan, the Holding Company is authorised to issue up to 228,213 equity shares of INR 10 each to eligible employees. Employees covered by the plan are granted an option to purchase shares of the Holding Company subject to the requirements of vesting. Refer note 46 for "Events after the reporting period".

Vesting condition:
Vesting of options would be subject to continued employment.

Vesting period:
The Holding Company has issued above options with graded vesting with vesting period ranging from 1 to 4 years.

Exercise period:
Exercise period would expire at the end of 7 years from the date of vesting of options.

(b) Movements during the year
The following table represents the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	Number of options	**WAEP**	**umber of optio**	**WAEP**	**Number of options**	**WAEP**
Outstanding at the beginning of the year	114,803	1,897.60	78,210	2,477.79	71,883	2,508.57
Options granted during the year	19,154	7,654.34	75,313	3,446.97	31,565	4,755.39
Options exercised during the year	-	-	-	-	-	-
Options forfeited during the year	(5,139)	4,969.35	(38,720)	6,083.14	(25,238)	5,414.05
Options expired during the year	-	-	-	-	-	-
Options outstanding at the end of the year	128,818	2,631.03	114,803	1,897.60	78,210	2,477.79
Vested options outstanding at the end of the year (Exercisable)	99,370	1,324.32	50,742	1,118.40	42,779	748.61

The share options outstanding at the end of the year had a weighted average exercise price of INR 2,631.03 (31 March 2020: INR 1,897.60; 1 April 2019 : INR 2,477.79), and a weighted average remaining contractual life of 5.41 years (31 March 2020: 5.86 years; 1 April 2019 : 6.16 years).

c) Range of exercise price for share options outstanding at the end of the year

Exercise price (Amount in INR)	**As at 31 March 2021**	**As at 31 March 2020**	**As at 1 April 2019**
10	35,015	36,287	2,266
695	45,089	45,089	45,089
2,884	82	82	259
4,475	14,026	14,026	10,908
5,708	4,840	5,282	19,132
6,587	10,480	13,292	556
7,307	10,007	745	-
8,024	9,279	-	-

d) The weighted average fair value of options granted during the year was INR 2,972.97 per option (31 March 2020 : INR 4,535.15 per option, 1 April 2019 : INR 2391.13 per option)

	For the year ended 31 March 2021	**For the year ended 31 March 2020**
e) Expense arising from equity-settled share-based payment transactions	31.16	232.53

(Amounts in million INR, unless otherwise stated)

stated)

f) The estimation of fair value on date of grant was made using the Black-Scholes model with the following assumption :

Inputs for measurement of grant date fair values of ESOPs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Exercise price- (in INR)	7,307 - 8,024	10 - 7,307
Fair value at grant date- (in INR)	1,033-4,962	1,824 - 6,129
Expected Volatility (Standard Deviation - Annual)	37.9% - 42.7%	34.4% - 39.3%
Risk free rate	5.0% - 5.9%	5.9% - 7.6%
Dividend yield	0.00%	0.00%

(Amounts in million INR, unless otherwise stated)

32 Fair value measurements

a) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the Group's financial instruments are as follows:

	Level	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Financial assets				
a) Measured at fair value through profit or loss (FVTPL)				
- Investment in mutual funds (refer note 7(a))	Level 1	-	36.72	-
		-	36.72	-
b) Measured at fair value through other comprehensive income (FVTOCI)				
- Investment in NPCI (refer note 7(a))	Level 3	7.70	-	-
		7.70	-	-
c) Measured at amortised cost				
- Trade receivable (refer note 9)	Level 3	376.04	167.60	166.18
- Cash and cash equivalents (refer note 10)	Level 3	603.33	87.05	324.85
- Other bank balances (refer note 10)	Level 3	1,439.96	2,081.69	1,713.42
- Loans (refer note 7(b))	Level 3	24.19	17.71	19.38
- Other financial assets (refer note 7(c))	Level 3	1,052.31	556.17	504.58
		3,495.83	2,910.22	2,728.41
Total financial assets		**3,503.53**	**2,946.94**	**2,728.41**
Financial liabilities				
a) Not measured at fair value (Other financial liabilities)				
- Borrowings (refer note 14)	Level 3	580.48	637.39	734.32
- Lease liabilities (refer note 42)	Level 3	-	50.63	66.53
- Trade payables (refer note 15)	Level 3	851.86	624.48	760.81
- Security deposit (refer note 16)	Level 3	13.00	13.93	11.32
- Other financial liabilities (refer note 16)	Level 3	2,815.90	2,241.11	1,635.79
Total financial liabilities		**4,261.24**	**3,567.54**	**3,208.77**

b) The following methods / assumptions were used to estimate the fair values:

i) The carrying value of bank deposits, trade receivables, cash and cash equivalents, trade payables, security deposits, loans, borrowings and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.

ii) The fair value of non-current financial assets and financial liabilities measured are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

iii) Fair value of quoted mutual funds is based on quoted market prices at the reporting date.

iv) 'The investment in NPCI is close to the reporting date. Accordingly, the fair value of this investment as at 31 March 2021 approximates to the cost of acquisition, which is determined basis the transaction price.

c) There were no transfers between any levels for fair value measurements.

d) The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:
Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: This level includes financial assets and liabilities, measured using 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: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(Amounts in million INR, unless otherwise stated)

33 Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (note 14) offset by cash and bank balance (note 10) and total equity of the Group. The Group is not subject to any externally imposed capital requirements.

The Holding Company's board of directors reviews the capital structure of the Group on a periodic basis. As part of this review, the Board of directors considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Gearing ratio

The Group monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents)
divided by
Total equity (as shown in the statement of balance sheet).
The gearing ratio at end of the reporting period was as follows.

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Borrowings	580.48	637.39	734.32
Cash and cash equivalents	(603.33)	(87.05)	(324.85)
Adjusted Net Debt (A)	(22.85)	550.34	409.47
Total equity (B)	(200.13)	(308.52)	(15.73)
Net debt to equity ratio	**11%**	**-178%**	**-2603%**

Debt is defined as long-term and short-term borrowings.

34 Financial risk management objectives and policies

The Group's management monitors and manages key financial risk relating to the operations of the group by analysing exposures by degree & magnitude of risk. The risks include market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk.

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse 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.

i) Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and financial guarantee provided by the Group) and from its financing activities, including deposits with banks and financial institutions, mutual funds and other financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The carrying amounts of financial assets and the maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised, represents the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Trade receivables

The Group is exposed to credit risk in the event of non-payment by trade partners. Receivable credit risk is managed subject to the Group's established policy, procedures and control relating to trade partners risk management. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables through a lifetime expected credit loss. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Ageing of past due but not impaired receivables is as follows :

As at	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Within the credit period	253.61	163.14	100.00
1-30 days past due	69.31	2.27	5.11
31-60 days past due	15.51	-	50.19
61-90 days past due	8.59	0.65	-
91-180 days past due	22.67	1.11	1.61
181-365 days past due	12.09	0.94	12.72
365 days - 3 years past due	0.03	3.90	1.77
Over 3 years	-	0.21	0.04
Total	**381.81**	**172.22**	**171.44**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security.

Buy now pay later (BNPL)

The Group's exposure to credit risk is from the BNPL business in which the group facilitates credit to its users through financing partners. The Group provides financial guarantees on the BNPL business to its financing partners to cover the loss on the credit extended to its users. Financial guarantees are capped to the extent agreed with the respective partner.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual users and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Credit risk is monitored by the credit risk department of the Group's independent Risk Management Unit (RMU). It is their responsibility to review and manage credit risk, including environmental and social risk for all types of users. The RMU consist of experts and credit risk managers that have deep expertise in the domain of financial and credit risk of BNPL business and are responsible for managing the risk of BNPL portfolio including credit risk systems, policies, models and reporting.

The Group has established a credit quality review process to provide early warning signals to identify the changes in the creditworthiness of its BNPL users. User limits are established by the use of a credit risk classification system, which assigns each BNPL user a risk rating. Risk ratings are subject to regular revision. The credit quality review process enables the periodic assessment of the potential loss to which the Group is exposed thereby allowing it to take corrective actions.

The Group has, based on current available information and based on the policy approved by the Board of Directors, determined the provision for impairment of financial assets.

Concentration of credit risk

Concentrations arise when a number of users are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on spreading its lending portfolio across various products/states/customer base with a cap on maximum limit of exposure for an individual/Group. Accordingly, the Group does not have concentration risk.

Expected credit loss on financial guarantee contract

The Group has, based on current available information and based on the policy approved by the Board of Directors, calculated impairment loss allowance in the BNPL business using the Expected Credit Loss (ECL) model to cover the guarantees provided to its financing partners.

Expected credit loss (ECL) methodology

The Group has assessed the credit risk associated with its financial guarantee contracts for provision of Expected Credit Loss (ECL) as at the reporting dates. The Group makes use of various reasonable supportive forward-looking parameters which are both qualitative as well as quantitative while determining the change in credit risk and the probability of default. The underlying ECL parameters have been detailed out in the note on **"Summary of significant accounting policies".**

Since, the Group offers Buy now pay later (BNPL) and other credit products to a large retail customer base on its digital platform via marketplace model, there is no significant credit risk of any individual customer that may impact the Group adversely, and hence the Group has calculated its ECL allowances on a collective basis.

For the year ended 31 March 2021 and 31 March 2020 the Group has developed an ECL Model that takes into consideration the stage of delinquency, Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) .

I. Probability of Default (PD): represents the likelihood of default over a defined time horizon. The definition of PD is taken as 90 days past due for all loans.
II. Exposure at Default (EAD): represents what is the user's likely borrowing at the time of default.
III. Loss Given Default (LGD): represents expected losses on EAD given the event of default.

Each financial guarantee contract is classified into (a) Stage 1, (b) Stage 2 and (c) Stage 3 (Default or Credit Impaired). Delinquency buckets have been considered as the basis for the staging of all credit exposure under the guarantee contract in the following manner:
a) Stage 1: 0-30 days past due loans
b) Stage 2: More than 30 and up to 90 days past due loans
c) Stage 3: Above 90 days past due loans

Inputs, assumptions and estimation techniques used to determine expected credit loss

The Group's ECL provision are made on the basis of the Group's historical loss experience and future expected credit loss, after factoring in various macro-economic parameter. In calculating the ECL, given the uncertainty over the potential macro-economic impact, the Group's management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results. The selection of variables was made purely based on business sense.

The macro- economic variables were regressed using a regression model against the log odds of the weighted average PD's to forecast the forward-looking PD's with macro- economic overlay incorporated. Best, base and worst scenarios were created for all the variables and default rates were estimated for all the scenarios. These default rates were then used with the same LGD and EAD to arrive at the expected credit loss for all three cases. The three cases were then assigned weights and a final probability-weighted expected credit loss estimate was computed.

(Amounts in million INR, unless otherwise stated)

Analysis of portfolio

Gross exposure at default (EAD) and expected credit loss on financial guarantee contract as at the end of the reporting period:

Particulars	(A) Gross exposure at default (EAD)*	(B) Expected credit loss allowance (ECL)*	(C) Net carrying amount (financial guarantee obligation)*	(D) Impact on profit or loss**
As at 31 March 2021				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,596.51	52.07	52.07	583.67
Where credit risk has increased significantly but are not credit impaired (Stage 2)	290.02	98.37	98.37	
Where credit risk has increased significantly and are credit impaired (Stage 3)	275.15	105.27	105.27	
Total	**2,161.68**	**255.71**	**255.71**	**583.67**
As at 31 March 2020				
Where credit risk has not significantly increased from initial recognition (Stage 1)	3,024.60	38.86	38.86	496.52
Where credit risk has increased significantly but are not credit impaired (Stage 2)	231.51	102.99	102.99	
Where credit risk has increased significantly and are credit impaired (Stage 3)	118.08	41.57	41.57	
Total	**3,374.19**	**183.42**	**183.42**	**496.52**
As at 1 April 2019				
Where credit risk has not significantly increased from initial recognition (Stage 1)	1,301.81	34.22	34.22	117.70
Where credit risk has increased significantly but are not credit impaired (Stage 2)	43.02	22.16	22.16	
Where credit risk has increased significantly and are credit impaired (Stage 3)	103.86	34.01	34.01	
Total	**1,448.69**	**90.39**	**90.39**	**117.70**

* Gross exposure at default, expected credit loss allowance (ECL) and net carrying amount does not include the obligation from financial guarantee contracts not settled during the year ended 31 March 2021 amounting to INR 501.51 million.

** It includes INR 511.13 million for the year ended 31 March 2021 (31 March 2020: INR 403.49 million; 1 April 2019: INR 27.31 million) which represents actual obligation arising from financial guarantee contracts for the respective years.

(Amounts in million INR, unless otherwise stated)

Notes:
1. Gross exposure at default (A) represents the maximum amount the Group has guaranteed under the respective financial guarantee contracts including amount outstanding, accrued interest, future interest due and any expected drawdowns in future from the sanctioned loan limits as on the reporting date.
2. The Expected Credit Loss (B) allowance is computed as a product of PD, LGD and EAD adjusted for time value of money using a rate which is a reasonable approximation of EIR.
3. Net Carrying Amount (C) represents the Expected Credit Loss (ECL) recognized on financial guarantee contracts.
4. Impact on Statement of profit or loss (D) is the loss allowance recognized during the financial year.

Reconciliation of expected credit Loss (ECL) allowance on financial guarantee contracts

Particulars	Financial guarantee obligation where credit risk has not significantly increased from initial recognition (Stage 1)	Financial guarantee obligation where credit risk has increased significantly but are not credit impaired (Stage 2)	Financial guarantee obligation where credit risk has increased significantly and are credit impaired (Stage 3)	Total
ECL allowance as at 1 April 2018	-	-	-	-
- New credit exposures during the year, net of repayments	34.22	22.16	34.01	90.39
- Contracts settled during the year	-	-	-	-
- Transfer between stages during the year	-	-	-	-
- Movement due to opening EAD and credit risk	-	-	-	-
ECL allowance as at 31 March 2019	**34.22**	**22.16**	**34.01**	**90.39**
- New credit exposures during the year, net of repayments	38.33	96.54	12.26	147.12
- Contracts settled during the year	(23.40)	(20.62)	(0.77)	(44.79)
- Transfer between stages during the year	(1.55)	4.98	1.92	5.35
- Movement due to opening EAD and credit risk	(8.74)	(0.07)	(5.85)	(14.66)
ECL allowance as at 31 March 2020	**38.86**	**102.99**	**41.57**	**183.41**
- New credit exposures during the year, net of repayments	43.29	75.13	20.77	139.20
- Contracts settled during the year	(30.29)	(93.22)	(7.07)	(130.58)
- Transfer between stages during the year	(3.64)	12.71	50.86	59.93
- Financial guarantee contract obligations accrued but not settled (Refer note below)	-	-	501.51	501.51
- Movement due to opening EAD and credit risk	3.85	0.76	(0.86)	3.75
ECL allowance as at 31 March 2021	**52.07**	**98.37**	**606.78**	**757.22**

Note - The amount of INR 501.51 million represents the obligation arising from financial guarantee contracts which was not settled during the year ended 31 March 2021 but was settled subsequent to the year end. In previous years, INR 403.49 million and INR 27.31 million were materialised and settled during the year ended 31 March 2020 and 1 April 2019 respectively.

Cash and cash equivalents, bank deposits and investments in mutual funds

The Group maintains its cash and cash equivalents, bank deposits and investment in mutual funds with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Security deposits

The Group monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Group's historical experience of dealing with the parties.

ii) Liquidity risk management

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.

Ultimate responsibility for liquidity risk management rests with the board of directors, who has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
The Group has access to financing facilities as described below. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Secured bank facility:			
- Amount utilised	580.48	549.78	504.71
- Amount unutilised	319.76	200.58	141.30

Maturities of financial liabilities
The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:
The contractual maturity is based on the earliest date on which the Group may be required to pay.

Contractual maturities of financial liabilities

31 March 2021	Within 1 year	Between 1 and 5 years	Total
Trade payables	851.86	-	851.86
Other financial liabilities	2,071.33	0.35	2,071.68
Financial guarantee obligation	757.22	-	757.22
Borrowings	580.48	-	580.48
	4,260.89	**0.35**	**4,261.24**

(Amounts in million INR, unless otherwise stated)

31 March 2020	**Within 1 year**	**Between 1 and 5 years**	**Total**
Trade payables	624.48	-	624.48
Lease liabilities	19.84	30.78	50.62
Other financial liabilities	2,070.27	1.35	2,071.62
Financial guarantee obligation	183.42	-	183.42
Borrowings	624.78	12.61	637.39
	3,522.79	**44.74**	**3,567.53**

(Amounts in million INR, unless otherwise stated)

1 April 2019	Within 1 year	Between 1 and 5 years	Total
Trade payables	760.81	-	760.81
Lease liabilities	15.90	50.63	66.53
Other financial liabilities	1,555.37	1.35	1,556.72
Financial guarantee obligation	90.39	-	90.39
Borrowings	604.71	129.61	734.32
	3,027.18	**181.59**	**3,208.77**

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity disclosed in the below is attributable to bank overdraft facility availed by the group. Other borrowings of the Group have fixed interest rate.

Sensitivity	Impact on profit/loss before tax	
	31 March 2021	31 March 2020
+ 0.5% change in Interest rate (Bank overdraft)	2.90	2.75
- 0.5% change in Interest rate (Bank overdraft)	(2.90)	(2.75)

(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchase of services are denominated (i.e. USD) and the respective functional currencies of Group companies (i.e. INR).The sensitivity related to currency risk is disclosed below.

The Group's exposure to foreign currency risk was based on the following amounts as at the reporting dates between USD and INR:

	As at	As at	As at
	31 March 2021	31 March 2020	1 April 2019
Receivable	1.97	3.52	2.10
Payable	(3.27)	(24.96)	(21.48)
Net exposure	**(1.30)**	**(21.44)**	**(19.38)**

Sensitivity	Impact on profit/(loss) before tax	
Receivable	31 March 2021	31 March 2020
+ 5% change in currency exchange rate	0.10	0.18
- 5% change in currency exchange rate	(0.10)	(0.18)

	Impact on profit/(loss) before tax	
Payable	31 March 2021	31 March 2020
+ 5% change in currency exchange rate	(0.16)	(1.25)
- 5% change in currency exchange rate	0.16	1.25

(b) Price risk

Investment of short-term surplus funds of the Group in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Sensitivity	Impact on profit/loss before tax	
	31 March 2021	31 March 2020
+ 5% change in NAV of mutual funds	-	1.84
- 5% change in NAV of mutual funds		(1.84)

(Amounts in million INR, unless otherwise stated)

35 Segment reporting

Information reported to the Group's Chief Executive Officer (CEO) (the Chief Operating Decision Maker (CODM)) for the purposes of resource allocation and assessment of segment performance is focused on the degree of homogeneity of products, services and material businesses. Segment's performance is evaluated based on segment revenue, segment results and adjusted earnings before interest, taxes, depreciation and amortisation (adjusted EBITDA). The Group's reportable segments under Ind AS 108 are therefore as follows:

For management purposes, the Group is organised into business segments based on its services and has three reportable segments, as follows:
Segment A - Consumer Payments
Segment B - Buy now pay later (BNPL)
Segment C - Payment Gateway

Consumer Payment segment includes merchant fee collected from a merchant when a user purchases goods or services on a merchant platform and pays via MobiKwik Wallet. Further, it also includes convenience fees collected from users under certain categories of services.

Buy Now Pay Later (BNPL) segment includes our BNPL offerings - MobiKwik Zip (which is our flagship 15 day BNPL product), Zip EMI (which is a longer tenure credit product) and other credit products. It also includes revenue from insurtech, wealthtech and fintech products, platform services specifically designed to drive our credit business and amounts received from online promotions on such platforms. Zip product includes revenue in the form of a) merchant fee collected from a merchant when a user pays with Zip on a merchant platform, b) one time Zip activation fee collected from a user, and c) late fees collected from those users who repay their Zip due amount after the due date.

Payment Gateway segment includes merchant fee collected from e-commerce merchants (websites/apps) for enabling them to collect payments from their users using multiple payment options including debit and credit cards, wallets, unified payments interface (UPI) and net banking.

Segment revenue, segment expenses and segment results include transfers between operating segments. Those transfers are eliminated in the Total column in the table below. The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment results representing Revenue less direct variable costs of the respective segments, and Adjusted EBITDA representing EBITDA of each segment adjusted for share based payment expense and goodwill impairment, are measures reported to the Group's CODM for the purpose of resource allocation and assessment of segment performance.

Segment revenues, results and Adjusted EBITDA
The following is an analysis of the Group's revenue and results by reportable segment:

Particulars	Consumer Payments		Buy now pay later (BNPL)		Payment Gateway		Unallocable		Eliminations		Total	
	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations	2,094.35	2,302.26	598.13	743.49	193.23	511.00	-	-	-	-	2,885.71	3,556.75
Inter-segment revenue	17.03	10.54	-	-	1,397.27	1,428.82	-	-	1,414.30	1,439.36	-	-
Segment revenue	**2,111.38**	**2,312.80**	**598.13**	**743.49**	**1,590.50**	**1,939.82**	**-**	**-**	**1,414.30**	**1,439.36**	**2,885.71**	**3,556.75**
Other income	106.36	98.94	1.76	-	5.66	-	110.00	170.81	86.93	127.96	136.85	141.79
Segment results*	**254.35**	**327.04**	**6.16**	**245.96**	**70.63**	**120.02**	-	-	-	-	331.15	693.02
EBITDA **	**(602.73)**	**(649.03)**	**(438.46)**	**(322.00)**	**(8.22)**	**63.20**	**110.00**	**122.18**	**78.73**	**60.71**	**(1,018.14)**	**(846.37)**
Add: Share based payments	22.83	113.18	6.69	118.60	**1.80**	**0.75**	**-**	**-**	0.16	-	31.16	232.53
Add: Impairment of goodwill	-	-	-	-	-	-	-	48.63	-	-	-	48.63
Adjusted EBITDA	**(579.90)**	**(535.85)**	**(431.77)**	**(203.40)**	**(6.42)**	**63.95**	**110.00**	**170.81**	**78.89**	**60.71**	**(986.98)**	**(565.21)**
Reconciliation of EBIDTA with Loss for the year											**(1,018.14)**	**(846.37)**
Finance costs											71.35	107.14
Depreciation and amortisation expenses											13.14	26.99
Loss before tax											**(1,102.63)**	**(980.50)**
Tax expense											10.37	18.70
Loss for the year											**(1,113.00)**	**(999.20)**

*** Segment results is defined as the revenue minus the direct variable cost of the segment**
Consumer Payments segment: Total revenue - Direct Cost - User incentive expenses. Direct cost is the cost of adding money in the wallet which is paid to the payment gateway processors.
BNPL segment: Total revenue - Direct Cost - Financial guarantee expenses. Direct Cost is the cost of capital paid to the financing partners.
Payment Gateway segment: Total revenue - Direct Cost. Direct cost is payment processing cost paid to acquiring bank partners.

**** EBITDA represents earnings before interest expense, depreciation and amortisation, and tax expense**

Assets and liabilities are used interchangeably between segments and these have not been allocated to the reportable segments.

Major Customers:

None of the customers account for more than 10% or more of the Group's revenues.

36 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the Entity	Net Assets i.e. Total Asset minus Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Assets	Amount INR million	As a % of consolidated profit or loss	Amount INR million	As a % of consolidated OCI	Amount INR million	As a % of consolidated Total OCI	Amount INR million
Parent								
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)								
Balance as at 31 March 2021	-1%	1.06						
Balance as at 31 March 2020	47%	(143.65)						
Balance as at 1 April 2019	-55%	171.18						
For the year ended 31 March 2021			97%	(1,076.68)	100%	3.02	97%	(1,073.66)
For the year ended 31 March 2020			102%	(1,021.24)	100%	7.55	102%	(1,013.69)
Subsidiaries - Indian								
Zaak ePayment Services Private Limited								
Balance as at 31 March 2021	-71%	142.12						
Balance as at 31 March 2020	56%	(171.63)						
Balance as at 1 April 2019	60%	(185.34)						
For the year ended 31 March 2021			3%	(36.52)	0%	-	3%	(36.52)
For the year ended 31 March 2020			-1%	13.71	0%	-	-1%	13.71
Harvest Fintech Private Limited								
Balance as at 31 March 2021	-4%	7.92						
Balance as at 31 March 2020	-1%	2.70						
Balance as at 1 April 2019	-1%	3.89						
For the year ended 31 March 2021			0%	(3.85)	0%	-	0%	(3.85)
For the year ended 31 March 2020			1%	(7.97)	0%	-	1%	(7.97)
MobiKwik Credit Private Limited								
Balance as at 31 March 2021	-14%	28.79						
Balance as at 31 March 2020	-9%	26.76						
Balance as at 1 April 2019	-1%	4.24						
For the year ended 31 March 2021			0%	2.06	0%	-	0%	2.06
For the year ended 31 March 2020			-2%	22.52	0%	-	-2%	22.52
MobiKwik Finance Private Limited								
Balance as at 31 March 2021	-15%	29.44						
Balance as at 31 March 2020	-9%	27.45						
Balance as at 1 April 2019	-2%	5.12						
For the year ended 31 March 2021			0%	1.99	0%	-	0%	1.99
For the year ended 31 March 2020			-2%	22.33	0%	-	-2%	22.33
Adjustment arising out of consolidation								
Balance as at 31 March 2021	205%	(409.46)						
Balance as at 31 March 2020	16%	(50.14)						
Balance as at 1 April 2019	5%	(14.82)						
For the year ended 31 March 2021			0%	-	0%	-	0%	-
For the year ended 31 March 2020			3%	(28.55)	0%	-	3%	(28.55)
Total								
Balance as at 31 March 2021		(200.13)		-		-		-
Balance as at 31 March 2020		(308.52)		-		-		-
Balance as at 1 April 2019		(15.73)						
For the year ended 31 March 2021				(1,113.00)		3.02		(1,109.98)
For the year ended 31 March 2020				(999.20)		7.55		(991.65)

(Amounts in million INR, unless otherwise stated)

37 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

i) Names of related parties and related party relationship:

a) Entity's Joint Venture
Pivotchain Solution Technologies Private Limited

b) Individuals owning directly or indirectly, an interest in the voting power of the Group that gives them Significant Influence over the Group and Key Management Personnel (KMP)

Name	Designation
Mr. Bipin Preet Singh	Managing Director & Chief Executive Officer
Ms. Upasana Taku	Chairperson, Whole-time Director & Chief Operating Officer
Mr. Rohit Shadeja	Company Secretary

ii) Transactions with related parties	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Interest income from loan to the Joint Venture		
- Pivotchain Solution Technologies Private Limited	-	0.27
(b) Remuneration to Key Management Personnel (KMP)		
Short-term employee benefits	28.42	28.69
Post-employment benefits	0.76	0.75
Other long term employee benefits	0.36	0.21
Share based payments	0.13	0.16

iii) Outstanding balances with related parties	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a) Salary Payable			
- Mr. Bipin Preet Singh	20.86	14.31	4.23
- Ms. Upasana Taku	21.62	15.05	4.24
- Mr. Rohit Shadeja	0.59	0.56	0.25
(b) Loans and Advances (Forex cards)			
- Mr. Bipin Preet Singh	0.03	0.03	0.03
- Ms. Upasana Taku	1.61	1.65	0.32
(g) Loan to Joint venture			
- Pivotchain Solution Technologies Private Limited	-	1.01	1.73

(iv) Terms and Conditions
All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business.

(Amounts in million INR, unless otherwise stated)

38 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(a) Claims against the Group not acknowledged as debts:			
Income tax matters for financial year 2016-17*	583.00	-	-
Other income tax matters	4.14	4.14	4.14
Amount paid under protest relating to the above matter	0.83	0.83	0.83

* Subsequent to the year end, the Company has received an assessment order dated 15 June 2021 imposing a demand of INR 583.00 million on account of additions made under section 68 of the Income Tax Act, 1961 for the financial year 2016-17. The said demand has been made by the assessing officer, in respect of documents sought for the identity of the investor, their creditworthiness and genuineness of the funding received by the Company during the said financial year. Basis the facts of the matter and the advice obtained from tax counsel, the Company believes that this demand is not tenable and is most likely to be set aside upon hearing of writ petition filed by the Company with High Court.

(b) The Group does not have any long term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
(c) The Group does not have any amounts which were required to be transferred to the Investor Education and Protection Fund.

39 Impact of COVID-19

The Group has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, receivables and other current assets. In estimating the provision for loss on loans guaranteed by the Group, it has considered internal and external sources of information including economic forecasts and industry reports up to the date of approval of these financial statements. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Group, as at the date of approval of these financial statements has used available sources of information. The Group has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

40 During the year ended 31 March 2018 and 31 March 2017, out of proceeds of INR 707.50 million and INR 472.52 million respectively received by Company by way of preferential allotment of preference shares, the Company had not kept INR 451.73 million and INR 100 million from respective years proceeds in a separate bank account and inadvertently utilised these amounts for payments towards business purposes before allotment of shares to the investors. The management believes that by allotting shares to respective investors within the timeframe of 60 days, the overall intent and spirit of Section 42 of the Companies Act, 2013 was duly complied with. Further, subsequent to year end on 19 April 2021, the Company has also filed an application before the Registrar of Companies, National Capital Territory of Delhi for compounding of these non-intentional non- compliances under section 441 of the Companies Act, 2013, read with section 42 & 450 of the Companies Act, 2013. In the opinion of the management, no material liability is likely to arise on account of above-mentioned contravention.

41 In February 2019, the Supreme Court of India in its judgement clarified the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company noted that there are interpretative challenges on the application of judgement retrospectively and as such does not consider there is any probable obligations for past periods. Accordingly, based on the available facts and information, the Company has complied with the Supreme Court ruling for Provident Fund contribution from the date of Supreme Court Order. Effective April 2019, the Company made certain changes in compensation structure of employees to avoid any possible ambiguity in respect of definition of basic wages for the purpose of the EPF Act. Further, the Company has paid the recorded liability for the month of March 2019 during the year ended 31 March 2021.

42 Right-of-use assets - Leases

The Group's leased assets primarily consist of lease of office space.

Group as a lessee

Below are the carrying amounts of right-of-use assets recognised and the movements during the year

Cost

Particulars	Office space	Total
As at 1 April 2019:	**64.16**	**64.16**
Additions	-	-
As at 31 March 2020	**64.16**	**64.16**
Additions	-	-
Termination/ End of lease contract (refer note 1 below)	(64.16)	(64.16)
As at 31 March 2021 (A)	-	-

Accumulated depreciation

Particulars	Office space	Total
As at 1 April 2019	-	-
Charge for the year	20.66	20.66
As at 31 March 2020	**20.66**	**20.66**
Charge for the year	8.86	8.86
Termination/ End of lease contract*	(29.52)	(29.52)
As at 31 March 2021 (B)	-	-

Net carrying amount

As at 31 March 2021	-	-
As at 31 March 2020	**43.50**	**43.50**
As at 1 April 2019	**64.16**	**64.16**

(Amounts in million INR, unless otherwise stated)

Amounts recognised in Consolidated Statement of Profit and Loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation expense on right-of-use assets	8.86	20.66
Interest expense on lease liability	1.97	5.78
Expenses relating to short-term leases	0.75	4.22

The following is the movement in lease liabilities during the year

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Opening balance	50.62	66.53	-
Additions			70.17
Amounts recognised in statement of profit and loss as interest expense	1.97	5.78	2.87
Payment of lease liabilities	(10.84)	(21.69)	(6.51)
Derecognition*	(41.75)	-	-
Closing Balance	**-**	**50.62**	**66.53**

The following is the break-up of current and non-current lease liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current	-	19.84	15.90
Non-current	-	30.78	50.63

Amounts recognised in statement of cash flows

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases	10.84	21.69

Notes:

(1) During the current year, the Group has terminated the lease contract on account of COVID 19 and gain on termination of such lease contract has been recognized in Consolidated Statement of Profit and Loss under the head "Other Income".

(2) When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average pre-tax rate applied is 10% p.a.

(3) The maturity analysis of lease liabilities is presented in Note 34

43 Disclosures as per the Micro, Small and Medium Enterprises Development (MSMED) Act,2006

The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Group, is given below

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
1. Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	6.77	11.27	7.86
- Principal amount due to micro and small enterprises	6.77	10.84	7.86
- Interest due on above	-	0.43	-
2. Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
3. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-	-
4. Amount of interest accrued and remaining unpaid at the end of each accounting year.	-	0.43	-
5. 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

44 First Time Adoption of Ind AS

As stated in note 2, the consolidated financial statements for the year ended 31 March 2021 are the first annual consolidated financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2020, the Group has prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on 31 March 2021, together with the comparative period data as at and for the year ended 31 March 2020, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at 1 April 2019, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its previous GAAP consolidated financial statements, including the balance sheet as at 1 April 2019 and the consolidated financial statements as at and for the year ended 31 March 2020.

A Exemptions Applied :

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS.
The Group has applied the following exemptions:

a) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment including capital work-in-progress as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets including intangible assets under development covered by Ind AS 38 Intangible assets.

Accordingly, the Group has elected to measure its property, plant and equipment and Intangible assets at their previous GAAP carrying value.

b) Leases

Ind AS 101 allows an entity to determine whether an arrangement existing at the date of transition to Ind ASs contains a lease in accordance with Ind AS 116, on the basis of facts and circumstances existing at that date.

The standard provides an option to apply Ind AS 116 on transition date either using full retrospective method or modified retrospective method along with some available practical expedients

Accordingly, the Group has elected to follow full retrospective method for transition to Ind AS 116.

c) Share based payment

Ind AS 101 allows an entity not to apply Ind AS 102 Share-based payment to equity instruments that vested before the date of transition to Ind AS. Accordingly, the Group has elected to use exemption and has not applied Ind AS 102 on the options granted and vested before the date of transition to Ind AS.

d) Revenue

The Group has applied Ind AS 115 'Revenue from contracts with customers' to contracts that are not completed on transition date. Further, the Group has applied full retrospective approach on transition date subject to some practical expedients as prescribed by the standard.

e) Business Combinations

Ind AS 101 allows a first-time adopter to elect not to apply Ind AS 103 retrospectively to past business combinations (business combinations that occurred before the date of transition to Ind ASs). Accordingly, the Group has elected to use this exemption and not restate the business combination taken place prior to the transition date.

B The following mandatory exceptions have been applied:

a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.
Ind AS estimates as at 1 April 2019 and 31 March 2020 are consistent with the estimates as at the same date made in conformity with previous GAAP.
The Group made estimates for following item in accordance with Ind AS at the date of transition as this was not required under previous GAAP:
- Impairment of financial assets based on expected credit loss model.
- Impairment loss on financial guarantee obligation based on expected credit loss model.
- Incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets.
- Determination of fair value of equity-settled share based transaction.
- Determination of the discounted value for financial instruments carried at amortised cost.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets into amortised cost or FVTOCI on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on the facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Group has determined the classification and measurement of financial assets into amortised cost or FVTOCI based on the facts and circumstances that exist on the date of transition.

c) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choosing provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

d) Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(Amounts in million INR, unless otherwise stated)

C Statements of reconciliation between the previous GAAP and Ind AS are as under:

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following table presents the reconciliation from regrouped previous GAAP to Ind AS.

(a) Reconciliation of equity as at 1 April 2019

Particulars	Notes	Regrouped Previous GAAP*	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		11.86	-	11.86
Right-of-use assets	1 & 6	-	64.16	64.16
Goodwill		48.63	-	48.63
Other intangible assets		0.32	-	0.32
Financial assets				
(i) Investments		-	-	-
(ii) Loans		18.53	(3.06)	15.47
(iii) Other financial assets	6	3.56	-	3.56
Deferred tax assets		50.99	-	50.99
Non-current tax assets (net)		88.13	-	88.13
Other non-current assets		2.18	-	2.18
Total non-current assets		**224.20**	**61.10**	**285.30**
Current assets				
Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables	4	171.44	(5.26)	166.18
(iii) Cash and cash equivalents		324.85	-	324.85
(iv) Bank balances other than (iii) above		1,713.42	-	1,713.42
(v) Loans		3.91	-	3.91
(vi) Other financial assets		501.02	-	501.02
Other current assets	6	345.39	0.77	346.16
Total current assets		**3,060.03**	**(4.49)**	**3,055.54**
Assets classified as held for sale		10.00	-	10.00
Total Assets		**3,294.23**	**56.61**	**3,350.84**
Equity and liabilities				
Equity				
Equity share capital		10.05	-	10.05
Instruments entirely equity in nature		127.27	-	127.27
Other equity	1, 4, 5 & 6	12.48	(165.90)	(153.42)
Total equity		**149.80**	**(165.90)**	**(16.10)**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	5	130.00	(0.39)	129.61
(ii) Lease liabilities	1	-	50.63	50.63
(iii) Other financial liabilities		1.35	-	1.35
Provisions		16.91	-	16.91
Total non-current liabilities		**148.26**	**50.24**	**198.50**
Current liabilities				
Financial liabilities				
(i) Borrowings		604.71	-	604.71
(ii) Lease liabilities	1	-	15.90	15.90
(iii) Trade payables		760.81	-	760.81
(iv) Other financial liabilities	10	1,558.94	87.19	1,646.13
Contract liabilities		10.00	69.18	79.18
Other current liabilities		54.44	-	54.44
Provisions		7.27	-	7.27
Total current liabilities		**2,996.17**	**172.27**	**3,168.44**
Total liabilities		**3,144.43**	**222.51**	**3,366.94**
Total equity and liabilities		**3,294.23**	**56.61**	**3,350.84**

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

(Amounts in million INR, unless otherwise stated)

(b) Reconciliation of equity as at 31 March 2020

Particulars	Notes	Regrouped Previous GAAP*	Ind AS adjustments	Ind AS
Assets				
Non-current assets				
Property, plant and equipment		8.00	-	8.00
Right-of-use assets	1 & 6	-	43.50	43.50
Goodwill		-	-	-
Other intangible assets		-	-	-
Financial assets				
(i) Investments		-	-	-
(ii) Loans		18.14	(2.20)	15.94
(iii) Other financial assets	6	10.46	-	10.46
Deferred tax assets		33.91	-	33.91
Non-current tax assets (net)		158.60	-	158.60
Other non-current assets		2.73	-	2.73
Total non-current assets		**231.84**	**41.30**	**273.14**
Current assets				
Financial assets				
(i) Investments	2	35.00	1.72	36.72
(ii) Trade receivables	4	172.22	(4.62)	167.60
(iii) Cash and cash equivalents		87.05	-	87.05
(iv) Bank balances other than (iii) above		2,081.69	-	2,081.69
(v) Loans		1.77	-	1.77
(vi) Other financial assets		545.71	-	545.71
Other current assets	6	185.16	0.52	185.68
Total current assets		**3,108.60**	**(2.38)**	**3,106.22**
Assets classified as held for sale		-	-	-
Total Assets		**3,340.44**	**38.92**	**3,379.36**
Equity and liabilities				
Equity				
Equity share capital		10.05	-	10.05
Instruments entirely equity in nature		133.25	-	133.25
Other equity	1-9	(284.62)	(167.20)	(451.82)
Total equity		**(141.32)**	**(167.20)**	**(308.52)**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	5	12.72	(0.11)	12.61
(ii) Lease liabilities	1	-	30.78	30.78
(iii) Other financial liabilities		1.35	-	1.35
Provisions		18.24	-	18.24
Total non-current liabilities		**32.31**	**30.67**	**62.98**
Current liabilities				
Financial liabilities				
(i) Borrowings		624.78	-	624.78
(ii) Lease liabilities	1	-	19.84	19.84
(iii) Trade payables	10	624.48	-	624.48
(iv) Other financial liabilities	1 & 10	2,162.17	91.52	2,253.69
Contract liabilities	8	-	64.09	64.09
Other current liabilities		31.56	-	31.56
Provisions	9	6.46	-	6.46
Total current liabilities		**3,449.45**	**175.45**	**3,624.90**
Total liabilities		**3,481.76**	**206.12**	**3,687.88**
Total equity and liabilities		**3,340.44**	**38.92**	**3,379.36**

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

(Amounts in million INR, unless otherwise stated)

(c)Reconciliation of total comprehensive income for the year ended 31 March 2020

	Notes	Regrouped previous GAAP for the year ended 31 March 2020*	Ind-AS Adjustments	Ind AS for the year ended 31 March 2020
Income:				
Revenue from operations	8 & 9	3,565.30	(8.55)	3,556.75
Other income	2 & 6	138.56	3.23	141.79
Total income		**3,703.86**	**(5.32)**	**3,698.54**
Expenses:				
Employee benefits expense	3 & 7	453.89	203.00	656.89
Impairment of goodwill		48.63	-	48.63
Other expenses	1, 4 6, 9 & 10	3,870.12	(30.73)	3,839.39
Total expenses		**4,372.64**	**172.27**	**4,544.91**
Earning before interest, tax, depreciation and amortisation (EBITDA)		**(668.78)**	**(177.59)**	**(846.37)**
Finance costs	1 & 5	101.08	6.06	107.14
Depreciation and amortisation expenses	1 & 6	6.34	20.65	26.99
Loss before tax		**(776.20)**	**(204.30)**	**(980.50)**
Current tax		1.62	-	1.62
Deferred tax		17.08	-	17.08
Total tax expense		**18.70**	**-**	**18.70**
Loss for the year		**(794.90)**	**(204.30)**	**(999.20)**
Other comprehensive income (OCI)				
Items that will not be reclassified to profit or loss in subsequent periods				
Re-measurement losses on defined benefit plans	7	-	7.55	7.55
Income tax effect		-	-	-
		-	**7.55**	**7.55**
Other comprehensive income for the year, net of tax		**-**	**7.55**	**7.55**
Total comprehensive loss for the year		**(794.90)**	**(196.75)**	**(991.65)**

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

(Amounts in million INR, unless otherwise stated)

(d) Reconciliation of cash flows

Particulars	Regrouped Previous GAAP*	Ind AS adjustments	Ind AS
For the year ended 31 March 2020			
Net cash generated from/(used in) operating activities	(204.21)	21.69	(182.52)
Net cash generated from/(used in) investing activities	131.60	-	131.60
Net cash generated from/(used in) financing activities	(165.19)	(66.76)	(231.95)
Net increase/(decrease) in cash and cash equivalents	**(237.80)**	**(45.07)**	**(282.87)**
Cash and cash equivalents as at 31 March 2019	324.85	(504.71)	(179.86)
Cash and cash equivalents as at 31 March 2020	87.05	(549.78)	(462.73)

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

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(Amounts in million INR, unless otherwise stated)

Notes to the reconciliation are mentioned below :

1 Leases

Under Ind AS, all lease contracts, with limited exceptions for short term and low value leases, are recognized in the consolidated financial statements by way of right-of-use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-Use asset" (ROU) and a corresponding "lease liability". The rental expenses recognised in statement of profit and loss for the year ended 31 March 2020 under previous GAAP has been replaced by the recognition of depreciation expense on ROU asset and interest expense on lease liability. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	4.60	(1.24)	3.36
Balance sheet			
- Other equity	4.60	(1.24)	3.36
- Right-of-use asset	61.93	(19.95)	41.98
- Lease liability- Non current	(50.63)	19.84	(30.79)
- Lease liability- Current	(15.90)	(3.94)	(19.84)
- Other financial liabilities	-	5.29	5.29
Statement of Profit and Loss			
- Depreciation and amortisation expense	-	19.95	-
- Finance cost	-	5.78	-
- Other expenses	-	(26.97)	-

2 Fair valuation of investment in mutual funds

Under previous GAAP, current investment in mutual funds are carried in the financial statements at lower of cost and fair value at each reporting date. Under the Ind AS, investments in mutual funds are measured at fair value through profit or loss at each reporting date. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	(1.72)	(1.72)
Balance sheet			
- Other equity	-	(1.72)	(1.72)
- Investments	-	1.72	1.72
Statement of Profit and Loss			
- Other income	-	(1.72)	-

3 Employee Stock Option Plan

Under previous GAAP, the Group recognised only the intrinsic value for the equity settled share based payment plan as an expense. Under Ind AS, the cost of equity settled share-based plan is recognised based on the fair value of the options as at the grant date. Accordingly, The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	-	-
Balance sheet			
- Reserves and surplus	29.01	195.45	224.46
- Employee share options reserve	(29.01)	(195.45)	(224.46)
Statement of Profit and Loss			
- Employee benefits expense	-	195.45	-

4 Impairment of trade receivables

As per Ind AS, the Group is required to apply expected credit loss model (ECL) for recognising loss allowance for doubtful debts. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	5.26	(0.64)	4.62
Balance sheet			
- Other equity	5.26	(0.64)	4.62
- Allowance for doubtful debts	(5.26)	0.64	(4.62)
Statement of Profit and Loss			
- Other expenses/(income)	-	(0.64)	-

(Amounts in million INR, unless otherwise stated)

5 Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP the Group recognised processing costs on borrowings as incurred. At the date of transition, the Group elected to defer processing costs over the expected life of the borrowings which were outstanding on the date of transition. Accordingly, the related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	(0.39)	0.28	(0.11)
Balance sheet			
- Other equity	(0.39)	0.28	(0.11)
- Borrowings	0.39	(0.28)	0.11
Statement of Profit and Loss			
- Finance cost	-	0.28	-

6 Security deposit

Under previous GAAP, the Group recognised interest free deposit at transaction value, however under Ind AS, the security deposits are required to be recognised at fair value. The difference between the present value and the principal amount of the deposit paid for the lease assets at inception to be accounted for as deferred lease assets, which would be recognised as an expense on a straight line basis over the lease term and for other deposits amount would be recognized as amortization of prepaid expense. Correspondingly, there will be interest income accrued on the discounted value of deposits. Other deposits (utility deposits) are payable on demand and have no contractual period, hence there are no previous GAAP differences for these demand deposits.
The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	0.06	0.08	0.14
Balance sheet			
- Other equity	0.06	0.08	0.14
- Other non-current financial assets	(3.06)	0.87	(2.19)
- Right-of-use asset	2.23	(0.70)	1.53
- Prepaid expense- Rent	0.77	(0.25)	0.52
Statement of Profit and Loss			
- Other income	-	(0.87)	-
- Depreciation and amortisation expense	-	0.70	-
- Other expenses	-	0.25	-

7 Remeasurement differences

Under previous GAAP, there was no concept of other comprehensive income and hence, previous GAAP profit is reconciled to total comprehensive income as per Ind AS. Under previous GAAP, the remeasurements of the net defined benefit liability were recognised in the statement of profit and loss. Under Ind AS, the said remeasurement differences net of the related tax impact are recognised in other comprehensive income. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	-	-
Statement of Profit and Loss			
- Employee benefits expense	-	7.55	-
- Re-measurement gains/(losses) on defined benefit plans	-	(7.55)	-

8 Deferred revenue

Under previous GAAP, revenue from sale of services is recognised as the service is performed as per agreed milestones. Under Ind AS, the transaction price pertaining to contract for sale of services to customers is required to be allocated between the identified performance obligation of sale of services on the basis of relative standalone selling price.
Therefore, deferred revenue pertaining to unsatisfied performance obligation of services has been recognised with corresponding adjustment to revenue from operations. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	-	5.00	5.00
Balance sheet			
- Other equity	-	5.00	5.00
- Deferred revenue	-	(5.00)	(5.00)
Statement of Profit and Loss			
- Revenue from operations	-	5.00	-

(Amounts in million INR, unless otherwise stated)

9 Incentives to users

Under previous GAAP, the Group expensed Super cash incentives granted to its users as and when the same was utilised by the users. Under Ind AS the Group reasonably estimates the amount expected to be utilized by users for recognition as marketing or promotional expense at the reporting date. Further under previous GAAP, the Group recognised the incentives (Cashbacks and Super Cash) to users of MobiKwik platform in the statement of profit and loss as promotional expense. Under Ind AS, the Cashback incentives where a convenience fees is charged from the user is recorded as reduction from revenue. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	69.18	(10.08)	59.10
Balance sheet			
- Other equity	69.18	(10.08)	59.10
- Customer incentives	(69.18)	10.08	(59.10)
Statement of Profit and Loss			
- Revenue from operations	-	3.55	-
- Other expenses	-	(13.63)	-

10 Financial Guarantee Obligation

Under Ind AS, financial guarantee contracts are accounted as financial liabilities and measured initially at fair value and subsequently as given in note 2(n). The definition of financial guarantee contract has been detailed out in the note on “Summary of significant accounting policies”. Also refer note - 34. The related impact on Other equity, Statement of Balance Sheet and Statement of Profit and Loss is as given below.

	As at 1 April 2019	For the year ended 31 March 2020	As at 31 March 2020
Impact of Ind AS adjustment	87.19	9.62	96.81
Balance sheet			
- Other equity	(87.19)	(9.62)	(96.81)
- Other financial liabilities	(87.19)	(9.62)	(96.81)
	-	-	-
Statement of Profit and Loss			
- Other expenses	-	9.62	-

45 The Group has incurred losses in the current year and in previous periods and has generated negative cash flow from operations in the current year and previous periods. The Group has a negative net worth of INR 200.13 million and a significant negative working capital position (i.e. its current liabilities exceed its current assets) as on 31 March 2021. However, the Group subsequent to the balance sheet date raised substantial capital aggregating to INR 2,073.58 million from investors. Further, based on the current business plan and projections prepared by the management, the Group expects to achieve growth in its operations in the coming year with continuous improvement in operational efficiency. The directors have made an assessment of the Group’s ability to continue as a going concern and have no reason to believe the Group will not be a going concern in the year ahead considering, amongst other things, the funding received subsequent to year end, expected growth in operations and available credit limits with banks.

In view of the above, management has concluded that the going concern assumption is appropriate. Accordingly, the consolidated financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Group be unable to continue as a going concern.

(Amounts in million INR, unless otherwise stated)

46 Events after the reporting period

Subsequent to the Balance sheet date, following transactions are made:

(a) The Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 23 June 2021 and consequently the name of the Company has changed to "ONE MOBIKWIK SYSTEMS LIMITED" pursuant to a fresh certificate of incorporation by the Registrar of Companies on 25 June 2021.

(b) The Board of Directors and shareholders of the Company at their meeting held on 20 June 2021 and 22 June 2021 respectively, have approved stock split of one equity share having face value of INR 10 each into five equity shares having face value of INR 2 each. Further, in addition to the aforesaid, capitalisation of securities premium of the Company for issuance of 3:1 bonus shares on fully paid equity shares having face value of INR 2 per share have also been approved.

- Number of equity shares (as on 31 March 2021)	1,004,994
- Number of Equity shares post stock split (1 equity share into 5 equity shares)	5,024,970
- Number of Equity shares with bonus shares (3 bonus shares foe each equity share)	20,099,880

Note: The impact of above mentioned stock split and issue of bonus shares have been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for all periods presented.

(c) The existing ESOP pool of 228,213 fully paid-up Equity Shares in the Company of face value of INR 10 each has been adjusted and increased to 4,564,260 fully paid-up Equity Shares in the Company of face value of INR 2 each to give effect of stock split and bonus issue of equity shares of the Company as mentioned above in point (b).

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 116231W/W-100024

For and on behalf of the Board of Directors of
ONE MOBIKWIK SYSTEMS LIMITED (formerly known as ONE MOBIKWIK SYSTEMS PRIVATE LIMITED)

Gajendra Sharma
Partner
Membership No.: 064440
UDIN:21064440AAAABQ7461

Bipin Preet Singh
Managing Director
& Chief Executive Officer
DIN:02019594

Upasana Taku
Chairperson
Whole-time Director
& Chief Operating Officer
DIN:02979387

Place: Gurugram
Date : 06 July 2021

Dilip Bidani
Chief Financial Officer

Rahul Luthra
Company Secretary

Place: Gurugram
Date : 06 July 2021

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Bipin Preet Singh
(DIN: 02019594)
Managing Director and Chief Executive Officer

Ms. Upasana Rupkrishan Taku
(DIN: 02979387)
Whole-time Director & Chief Operating Officer

Mr. Chandan Joshi
(DIN: 05168617)
Whole-time Director

Ms. Punita Kumar Sinha
(DIN: 05229262)
Independent Director and Non-Executive Director

Mr. Navdeep Singh Suri
(DIN: 08775385)
Independent Director and Non-Executive Director

Ms. Sayali Karanjkar
(DIN: 07312305)
Independent Director and Non-Executive Director

Mr. Raghu Ram Hiremagalur Venkatesh
(DIN: 09202812)
Independent Director and Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Dilip Bidani

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Rahul Luthra

STATUTORY AUDITORS

B S R & Associates LLP
Chartered Accountants

REGISTRAR AND TRANSFER AGENT

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Noble Heights, 1st Floor,
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REGISTERED & CORPORATE OFFICE OF THE COMPANY

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