ONE 97 COMMUNICATIONS LIMITED

Our Company was incorporated as "One 97 Communications Private Limited", a private limited company under the Companies Act, 1956, at New Delhi, pursuant to a certificate of incorporation dated December 22, 2000 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, the name of our Company was changed to "One 97 Communications Limited", pursuant to a fresh certificate of incorporation dated May 12, 2010 issued by the Deputy Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi. For further details in relation to the change in the registered office of our Company, see "***History and Certain Corporate Matters***" on page 205.

Corporate Identity Number: U72200DL2000PLC108985
Registered Office: First Floor, Devika Tower, Nehru Place, New Delhi 110 019, India; **Tel:** +91 11 2628 0280; **Website**: www.paytm.com
Corporate Office: B-121, Sector 5, Noida, Uttar Pradesh 201 301, India
Contact Person: Mr. Amit Khera, Company Secretary and Compliance Officer; **Tel**: +91 120 4770770; **E-mail**: compliance.officer@paytm.com

OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF ONE 97 COMMUNICATIONS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ 166,000 MILLION, COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING TO ₹ 83,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 83,000 MILLION, COMPRISING UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] MILLION BY MR. VIJAY SHEKHAR SHARMA (THE "FOUNDER SELLING SHAREHOLDER"), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ANTFIN (NETHERLANDS) HOLDING B.V., UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ALIBABA.COM SINGAPORE E-COMMERCE PRIVATE LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ELEVATION CAPITAL V FII HOLDINGS LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ELEVATION CAPITAL V LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SAIF III MAURITIUS COMPANY LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SAIF PARTNERS INDIA IV LIMITED, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SVF PANTHER (CAYMAN) LIMITED AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY BH INTERNATIONAL HOLDINGS, (THE "INVESTOR SELLING SHAREHOLDERS") AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY THE PERSONS LISTED IN THIS DRAFT RED HERRING PROSPECTUS (THE "OTHER SELLING SHAREHOLDERS", AS DEFINED BELOW) (THE FOUNDER SELLING SHAREHOLDER, THE INVESTOR SELLING SHAREHOLDERS AND THE OTHER SELLING SHAREHOLDERS, COLLECTIVELY, THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES") (SUCH OFFER FOR SALE BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, "THE OFFER"). THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. OUR COMPANY AND THE INVESTOR SELLING SHAREHOLDERS, IN CONSULTATION WITH JOINT GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS ("JGC-BRLMs") AND THE BOOK RUNNING LEAD MANAGERS ("BRLMs"), MAY OFFER A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT").

OUR COMPANY, IN CONSULTATION WITH THE JGC-BRLMS AND THE BRLMs, MAY CONSIDER A FURTHER ISSUE OF EQUITY SHARES, INCLUDING BY WAY OF A PRIVATE PLACEMENT OF EQUITY SHARES AGGREGATING UP TO ₹ 20,000 MILLION, AT ITS DISCRETION, PRIOR TO THE FILING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES, NATIONAL CAPITAL TERRITORY OF DELHI AND HARYANA, AT NEW DELHI ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO THE OFFER COMPLYING WITH RULE 19(2)(B) OF THE SCRR.

(i) THE PRICE BAND WILL BE DECIDED BY OUR COMPANY AND THE INVESTOR SELLING SHAREHOLDERS, IN CONSULTATION WITH THE JGC-BRLMs AND THE BRLMs, AND (ii) ANY EMPLOYEE DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE INVESTOR SELLING SHAREHOLDERS, IN CONSULTATION WITH THE JGC-BRLMs AND THE BRLMs, AND WILL BE ADVERTISED IN [●] EDITIONS OF THE [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF NEW DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE" AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after such revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the JGC-BRLMs and the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank. The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the "**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). The Offer is being made through the Book Building Process, in compliance with Regulation 6(2) of the SEBI ICDR Regulations, where not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company, in consultation with the JGC-BRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors ("**NIIs**") and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders ("**RIBs**"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders (other than Anchor Investors) shall mandatorily participate in this Offer through the Application Supported by Block Amount ("**ASBA**") process, and shall provide details of their respective bank account (including UPI ID for RIBs using UPI Mechanism) in which the Bid Amount will be blocked by the SCSBs or the Sponsor Bank, as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, specific attention is invited to ***"Offer Procedure"*** on page 448.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 1. The Floor Price, Cap Price and Offer Price determined by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "***Basis for Offer Price***" on page 124 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 35.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information pertaining to itself and respective portion of its Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. However, each Selling Shareholder assumes no responsibility for any other statements, including without limitation, any and all statements made by or relating to our Company or any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and material documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see ***"Material Contracts and Documents for Inspection"*** on page 483.

JOINT GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER
Morgan Stanley India Company Private Limited 18th Floor, Tower 2, One World Center Plot - 841, Jupiter Textile Mill Compound Senapati Bapat Marg, Lower Parel Mumbai 400 013, Maharashtra, India **Tel:** +91 22 6118 1000 **E-mail:** one97_ipo@morganstanley.com **Website:** www.morganstanley.com **Investor Grievance E-mail:** investors_india@morganstanley.com **Contact Person:** Nikita Giria **SEBI Registration No.:** INM000011203	**Goldman Sachs (India) Securities Private Limited** 951-A, Rational House, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025, Maharashtra **Tel:** +91 22 6616 9000 **E-mail**: paytmipo@gs.com **Website:** www.goldmansachs.com **Investor grievance e-mail:** india-client-support@gs.com **Contact person:** Chirag Jasani **SEBI Registration No:** INM000011054	**Axis Capital Limited*** 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India **Tel:** + 91 22 4325 2183 **E-mail:** one97cl.ipo@axiscap.in **Website:** www.axiscapital.co.in **Investor grievance e-mail:** complaints@axiscap.in **Contact person:** Pavan Naik **SEBI Registration No:** INM000012029 **SEBI Coordinator*	**Link Intime India Private Limited** C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400 083, Maharashtra **Tel:** +91 022 4918 6200 **E-mail:** paytm.ipo@linkintime.co.in **Investor Grievance E- mail:** paytm.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BOOK RUNNING LEAD MANAGERS			
ICICI Securities Limited# ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020, Maharashtra **Tel:** +91 22 2288 2460 **E-mail:** paytm.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor grievance e-mail:** customercare@icicisecurities.com **Contact person:** Shekher Asnani **SEBI Registration No:** INM000011179	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off CST Road Kalina, Santacruz East Mumbai 400 098, Maharashtra **Tel:** +91 22 6157 3000 **E-mail**: PAYTM_IPO@jpmorgan.com **Website:** www.jpmipl.com **Investor grievance e-mail:** investorsmb.jpmipl@jpmorgan.com **Contact person:** Saarthak K Soni **SEBI Registration No:** INM000002970	**Citigroup Global Markets India Private Limited** 1202, 12th Floor, First International Financial Centre G-Block, C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098, Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** paytmipo@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor grievance e-mail:** investors.cgmib@citi.com **Contact person:** Karan Singh Hundal **SEBI Registration No: INM000010718**	**HDFC Bank Limited** Investment Banking Group Unit No. 401 & 402, 4th Floor Tower B, Peninsula Business Park, Lower Parel Mumbai 400 013, Maharashtra, India **Tel:** +91 22 3395 8233 **E-mail:** paytm.ipo@hdfcbank.com **Website:** www.hdfcbank.com **Investor grievance e-mail:** investor.redressal@hdfcbank.com **Contact person:** Ravi Sharma / Harsh Thakkar **SEBI Registration No:** INM000011252

BID/ OFFER PERIOD			
BID/ OFFER OPENS ON(1)	[●]	**BID/ OFFER CLOSES ON(2)**	[●]

(1) Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

(2) Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation framed from time to time under that provision.

*Unless the context otherwise indicates, all references to "**the Company**", "**our Company**" and the "**Issuer**" are references to One 97 Communications Limited, a public limited company incorporated in India under the Companies Act, 1956 with its registered office at First Floor, Devika Tower, Nehru Place, New Delhi 110 019, India. Furthermore, unless the context otherwise indicates, all references to the terms "**we**", "**us**" and "**our**" are to our Company and our Subsidiaries (as defined below) on a consolidated basis.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations framed thereunder. Notwithstanding the foregoing, the terms used in "**Industry Overview**", "**Key Regulations and Policies in India**", "**Statement of Special Tax Benefits**", "**Basis for Offer Price**","**Financial Information**", "**Outstanding Litigation and Material Developments**" and "**Main Provisions of the Articles of Association**" on pages 131, 197, 126, 124, 256, 408 and 468, respectively, shall have the meaning ascribed to them in the relevant section.*

Company Related Terms

Term	Description
Additional Director	An additional Director of our Company
Alternate Director	An alternate Director of our Company
AoA / Articles of Association / Articles	The articles of association of our Company, as amended
API	Antfin (Netherlands) Holding B.V.
Audit Committee	The audit committee of our Board, as described in ***"Our Management"*** on page 229
Auditors/ Statutory Auditors	The statutory auditors of our Company, being Price Waterhouse Chartered Accountants LLP
Board / Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chief Executive Officer / CEO	Chief executive officer of our Company
Chief Financial Officer / CFO	Chief financial officer of our Company
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company
Corporate Office	The corporate office of our Company, situated at B-121, Sector 5, Noida, Uttar Pradesh 201 301, India
CSR Committee or Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, as described in ***"Our Management"*** on page 229
Director(s)	The director(s) on our Board of Directors, as described in ***"Our Management"*** on page 229
Elevation Capital	SAIF Partners India IV Limited, Elevation Capital V Limited and Elevation Capital V FII Holdings Limited, collectively
ESOPs	Employee stock options granted by our Company pursuant to ESOP Schemes
ESOP – 2008	One 97 Employees Stock Option Scheme 2008
ESOP – 2019	One 97 Employees Stock Option Scheme 2019
ESOP Schemes	The employee stock option schemes formulated by our Company, namely ESOP – 2008 and ESOP – 2019
Equity Shares	The equity shares of our Company of face value of ₹ 1 each
Executive Directors	Whole-time directors/ executive directors on our Board
Founder	The founder of our Company, Mr. Vijay Shekhar Sharma

Term	Description
Group Companies	In terms of SEBI ICDR Regulations, the term 'group companies' includes companies (other than our Subsidiaries) with which there were related party transactions in accordance with Ind AS 24 as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and such other companies as considered material by our Board in accordance with the Materiality Policy, and as identified in "***Our Group Companies***" on page 241
Independent Director	Independent director(s) on our Board
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, and as described in ***"Our Management"*** on page 229
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in ***"Our Management"*** on page 229
Managing Director	The managing director of our Company
Materiality Policy	The policy adopted by our Board by way of a resolution dated July 10, 2021 for determining identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in ***"Our Management"*** on page 229
Non-Executive Director	Non-executive Directors of our Company
Paytm Insurance Broking	Paytm Insurance Broking Private Limited
Paytm Money	Paytm Money Limited
Paytm Payments Bank	Paytm Payments Bank Limited
Registered Office	The registered office of our Company, situated at First Floor, Devika Tower, Nehru Place, New Delhi 110 019, India
RedSeer	RedSeer Management Consulting Private Limited
RedSeer Report	Report titled "*The Digital Transformation of Payments and Financial Services in India*" dated July 15, 2021, prepared by RedSeer
Restated Financial Statements	The restated consolidated financial information of our Company, its subsidiaries, its joint ventures and its associates comprising of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profits and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to Audited Consolidated Financial Statements, each derived from the audited consolidated financial statements of our Company, its subsidiaries, its associates and its joint ventures as at and for the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019, each prepared in accordance with Ind AS, and restated in accordance with the requirements of the Companies Act, 2013, SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.
Risk Management Committee	The risk management committee of our Board, as described in ***"Our Management"*** on page 229
RoC/ Registrar of Companies	Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi
SAIF	SAIF III Mauritius Company Limited
Shareholders	The holders of the Equity Shares from time to time
Shareholders' Agreement/ SHA	Shareholders' agreement dated November 17, 2019 executed among our Company, Mr. Vijay Shekhar Sharma, BH International Holdings, Alibaba.com Singapore E-Commerce Private Limited, Antfin (Netherlands) Holding B.V., SVF, SAIF and Elevation Capital, as amended by the SHA Amendment Agreement

Term	Description
SHA Amendment Agreement	Amendment dated June 15, 2021 to the SHA executed among our Company, Mr. Vijay Shekhar Sharma, BH International Holdings, Alibaba.com Singapore E-Commerce Private Limited, Antfin (Netherlands) Holding B.V., SVF, SAIF, Elevation Capital, T. Rowe Price Growth Stock Fund, Inc., T. Rowe Price Growth Stock Trust, T. Rowe Price Communications & Technology Fund, Inc., T. Rowe Price Global Technology Fund, Inc., T. Rowe Price Global Growth Stock Fund, T. Rowe Price Global Growth Equity Trust, T. Rowe Price Global Equity Fund and T. Rowe Price Global Growth Equity Pool
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in ***"Our Management"*** on page 229
Subsidiaries	The subsidiaries of our Company in accordance with the provisions of the Companies Act, 2013. For further details, please see "***History and Certain Corporate Matters – Our Subsidiaries***" on page 214. Paytm First Games Private Limited, Paytm First Games Singapore Pte. Ltd and Paytm Technology (Beijing) Co., Ltd have been identified as joint ventures of our Company in the Restated Financial Statements, in accordance with applicable accounting standards. However, pursuant to the definition of "subsidiaries" under the Companies Act, Paytm First Games Private Limited, Paytm First Games Singapore Pte. Ltd and Paytm Technology (Beijing) Co., Ltd have each been identified as a Subsidiary of our Company, as our Company controls more than one-half of the total voting power of Paytm First Games Private Limited, and Paytm First Games Singapore Pte. Ltd and Paytm Technology (Beijing) Co., Ltd are wholly-owned subsidiaries of Paytm First Games Private Limited.
SVF	SVF India Holdings (Cayman) Limited and SVF Panther (Cayman) Limited

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgment Slip	The slip or document issued by the respective Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/Allotted/Allotment	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus, which will be decided by our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs during the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs

Term	Description
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the JGC-BRLMs and the BRLMs, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount/ ASBA	An application (whether physical or electronic) by an ASBA Bidder to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account and will include application made by RIBs using the UPI mechanism, where the Bid amount will be blocked upon acceptance of UPI Mandate Request by RIBs
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes a bank account maintained by an RIB linked to a UPI ID, which is blocked upon acceptance of a UPI Mandate Request made by the RIB using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank(s)
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in ***"Offer Procedure"*** on page 448
Bid	An indication to make an offer during the Bid/ Offer Period by an ASBA Bidder, or on the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price and the Bid Amount shall be Cap Price net of Employee Discount, multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], 2021 which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located). In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the JGC-BRLMs and the BRLMs and at the terminals of the Syndicate Members and

Term	Description
	communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations; provided that Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs may consider closing the Bid/ Offer Period for the QIB Portion one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	Collectively, I-Sec, J.P. Morgan, Citi and HDFC
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Citi	Citigroup Global Markets India Private Limited
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, finalized by our Company and the Investor Selling Shareholders in consultation with the JGC-BRLMs and the BRLMs, which shall be any price within the Price Band. Only RIBs and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, and bank account details and UPI ID, as applicable

Term	Description
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of RIBs using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs (not using the UPI mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Eligible Employees, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated July 15, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which our Equity Shares are offered and the size of the Offer, and is filed with the SEBI, and includes any addenda or corrigenda thereto
Eligible Employee(s)	Permanent employees of our Company or of our Subsidiaries, as may be decided (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continue to be a permanent employee of our Company or our Subsidiaries, as applicable, until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be available for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the

Term	Description
	Employee Reservation Portion, for a value in excess of ₹ 200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Employee Discount	Our Company and the Investors Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees and which shall be announced at least two Working Days prior to the Bid / Offer Opening Date
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares, aggregating to ₹ [●], which shall not exceed 5% of the post Offer Equity Share capital of our Company, available for allocation to Eligible Employees, on a proportionate basis
Escrow Account(s)	Non-lien and non-interest bearing account(s) opened with the Escrow Collection Bank for the Offer and in whose favour the Anchor Investors will transfer money through direct credit or NEFT or RTGS or NACH in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Registrar to the Offer, the JGC-BRLMs, the BRLMs, the Selling Shareholders, the Syndicate Member(s) and Banker(s) to the Offer for, among others, collection of the Bid Amount from Anchor Investors and where applicable remitting refunds, if any, to such Bidders, on the terms and conditions thereof
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revisions thereof, at or above which the Offer Price and Anchor Investor Offer Price will be finalized and below which no Bids will be accepted and which shall not be less than the face value of the Equity Shares
Founder Selling Shareholder	Mr. Vijay Shekhar Sharma
Fresh Issue	Fresh issue of [●] Equity Shares aggregating up to ₹ 83,000 million by our Company
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges the JGC-BRLMs and the BRLMs
Goldman Sachs	Goldman Sachs (India) Securities Private Limited
HDFC	HDFC Bank Limited
I-Sec	ICICI Securities Limited
Investor Selling Shareholders	Antfin (Netherlands) Holding B.V., Alibaba.Com Singapore E-Commerce Private Limited, Elevation Capital V FII Holdings Limited, Elevation Capital V Limited, SAIF III Mauritius Company Limited, SAIF Partners India IV Limited, SVF Panther (Cayman) Limited and BH International Holdings

Term	Description
Joint Global Co-ordinators and Book Running Lead Managers/ JGC-BRLMs	Collectively, Morgan Stanley, Goldman Sachs and Axis
J.P. Morgan	J.P. Morgan India Private Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	The agreement to be entered into between our Company and the Monitoring Agency
Morgan Stanley	Morgan Stanley India Company Private Limited
Mutual Fund Portion	5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price
NBFC-SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
Net Offer	The Offer less the Employee Reservation Portion
Net QIB Portion	The QIB Portion (as defined below) less the number of Equity Shares Allocated to Anchor Investors
Net Proceeds	Proceeds of the Fresh Issue less Company's share of Offer expenses. For further details, see "***Objects of the Offer***" on page 115
Non-Institutional Bidders or Non-Institutional Investors	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offer of Equity Shares comprising the Fresh Issue and the Offer for Sale. Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.
Offer Agreement	Agreement dated July 15, 2021 entered amongst our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 83,000 million by the Selling Shareholders in the Offer
Offer Documents	Collectively, this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs, in terms of the Red Herring Prospectus and the Prospectus . The Offer Price will be decided by our Board or the IPO Committee, as applicable, and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus. A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees bidding in the Employee Reservation Portion. This Employee Discount, if any, will be decided by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "***Objects of the Offer***" beginning on page 115

Term	Description
Offered Shares	Up to [●] Equity Shares offered as part of the Offer for Sale, comprising up to [●] Equity Shares by [●], up to [●] Equity Shares by [●] and up to [●] Equity Shares by [●]
Other Selling Shareholders	Persons listed under "***Summary of the Offer Document – Aggregate pre-Offer shareholding of Selling Shareholders – Other Selling Shareholders***" on page 29
Pre-IPO Placement	The private placement of securities for a cash consideration aggregating up to ₹20,000 million, which may be undertaken by our Company, at the discretion of our Company, in consultation with the JGC-BRLMs and the BRLMs, in favour of such investors permissible under applicable laws, to be completed prior to filing of the Red Herring Prospectus with the RoC and the details of which, if completed, will be included in the Red Herring Prospectus. The price of the securities allotted pursuant to the Pre-IPO Placement shall be determined by our Company, in consultation with the JGC-BRLMs and the BRLMs. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof. (i) The Price Band will be decided by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, and (ii) the minimum Bid Lot size for the Offer will be decided by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Board or the IPO Committee, as applicable, and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Sections 26 and 32 of the Companies Act, 2013 and the SEBI ICDR Regulations, containing the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	Bank account opened with the Public Offer Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Bank	The bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account has been opened, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer comprising [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price or the Anchor Investor Offer Price (for Anchor Investors)
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date

Term	Description
Refund Account	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated July 14, 2021 entered by and amongst our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
Registrar to the Offer/ Registrar	Link Intime India Private Limited
Retail Individual Bidder(s) or RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	Portion of the Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date
Self Certified Syndicate Banks/ SCSBs	The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual

Term	Description
	Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time
Selling Shareholders	Collectively, the Founder Selling Shareholder, the Investor Selling Shareholders and the Other Selling Shareholders
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	Agreement dated July 15, 2021 entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms
Sponsor Bank	[●], being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Stock Exchanges	Collectively, the BSE and NSE
Syndicate Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs, the Registrar and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI, namely, [●]
Syndicate or Members of the Syndicate	Collectively, the JGC-BRLMs, BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	Agreement to be entered amongst our Company, the Selling Shareholders and the Underwriters to be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, Circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by RIBs in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes any company whose director or promoter is categorised as such

Term	Description
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, Working Day shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, Working Days shall mean all trading days excluding Sundays and bank holidays in India, as per the circulars issued by SEBI

Industry Related Terms or Abbreviations

Term	Description
# of Loans disbursed	Sum of Personal Loans, Merchant Loans and Postpaid Loans by our financial institution partners
# of Merchant Loans	Total count of loans disbursed to merchants by our financial institution partners and sourced through the Paytm platforms
# of Movie Tickets sold	Total unique tickets booked for Movies on our platforms
# of Personal Loans	Total count of loans disbursed to customers by our financial institution partners and sourced through the Paytm platforms
# of Postpaid Loans	Total count of bills generated by our financial institution partners for usage of Paytm Postpaid (buy-now-pay-later product)
Active Merchants	Unique merchants that have received a successful through Paytm QR or a Paytm issued device
Annual Transacting User (ATU)	Unique users with at least one successful transaction in any particular period of 12 calendar months
AUM	Assets under management
Commerce GMV	Total value of commerce products sold on Paytm platforms
Cumulative gold users till date	Unique users who have at least one successful transaction of gold on Paytm platforms
Devices Deployed	Total number of Paytm POS devices and Soundbox deployed at our in-store merchants
Fixed deposits	Fixed Deposits accounts opened by Paytm Payments Banks' account holders with a commercial bank, whom Paytm Payments Bank has partnered with
GMV	GMV is the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.
GMV / MTU	Average GMV per transacting user in a month
Gold AUM	Total value of gold balance available with users on Paytm platforms at end of a period
GTV	GTV is the sum of GMV and P2P values
Deposit account balances	Total amount of monies deposited in the Paytm Payments Bank Savings or Current Accounts during a given period
Deposit account withdrawals	Total amount of monies withdrawn from a Paytm Payments Bank Savings or Current account in a given period
Insurance policies and attachment products	Total count of insurance policies, sold by Paytm Insurance Broking private Limited, and attachment products, offered in collaboration with our insurance partners
Merchants	Unique merchants that are listed for receiving a transaction through Paytm QR or a Paytm issued device
Merchant Transactions	Total number of payment transactions made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period
MF AUM	Total value of Units active at end of a period for Mutual Funds units purchased through Paytm Money platforms
Monthly Transacting User (MTU)	Unique users with at least one successful transaction in a particular calendar month

Term	Description
P2P	Money transfer from a customer to another from (a) Paytm wallet or (b) bank account using UPI, IMPS or NEFT., P2P excludes any merchant payments
Paytm Payment Instruments	are payment instruments or financial products or services offered in partnership by us with partner financial institutions, including our associates such as Paytm Payments Bank, and third parties. Under these partnerships, Paytm provides marketing, branding, and/or distribution, as well as platforms for usage or the provision of these payment instruments or financial products, usually facilitated under the Paytm brand. These instruments include prepaid payment instruments such as Paytm Wallet, sub wallets and prepaid card; Savings account, current account, debit cards, FASTag, National Common Mobility Card, and Unified Payments Interface ("**UPI**") handle, which are issued or opened by Paytm Payments Bank, and Paytm Postpaid, equated monthly instalment, credit cards, amongst others, issued by our financial partners. Please see "***Our Business - Our Brand and its Usage***" on page 192, for further information.
Paytm app	Refers to our mobile consumer application
Paytm Postpaid users	Unique users who have registered for buy-now-pay-later (Postpaid) product
Platform	Refers to our mobile applications and website for all our service offerings and operations
Registered base for PFG	Unique users who have registered on Paytm First Games
Super app	A mobile app with a wide number of payments, commerce, daily-life and financial services use-cases, as per RedSeer.
Total Paytm Payments Bank accounts	Total Savings and Current accounts opened with Paytm Payments Bank, after completion of customer full KYC
Total deposits	Balance of deposits in a Paytm Payments Bank Wallet, Current or Savings Accounts, and Fixed Deposit with Paytm Payments Bank's partner bank
Total soundboxes deployed	Total number of Soundbox devices deployed by Paytm in the market
Total Tickets sold	Total count of tickets booked for Flights, Bus, Train, Movies, Events
Total transactions	Sum of merchant and P2P transactions
Unique Buyers of Insurance	Unique users who have purchased an insurance policy or an attachment product
Users	Unique user signed up on Paytm, identified by mobile number
Use cases	includes (i) mobile top-up, (ii) utility bill payment, (iii) pay at an online merchant, (iv) pay in-store, (v) commerce, (vi) financial services, and (vii) person to person transfers
Visitor	Unique device which has recorded a visit on a page / screen on Paytm platforms

Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 2013 or Companies Act	Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation
Contract Labour Act	Contract Labour Act, 1970
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996

Term	Description
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DoT	Department of Telecommunication
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
EGM	Extraordinary general meeting
EPS	Earnings per share
EPF Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	Employment State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
Financial Year/ FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GoI	Central Government/Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee/ Rs./ ₹	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA/ Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
MCLR	Marginal cost of funds based lending rate
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India
NRE	Non-Resident External
NRO	Non-Resident Ordinary
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

Term	Description
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ODI	Offshore derivative instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PFRDA	Pension Fund Regulatory and Development Authority
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
Rule 144A	Rule 144A under the U.S. Securities Act
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax Deduction and Collection Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Trademarks Act	Trade Marks Act, 1999
UPI	Unified Payments Interface
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. QIB	“Qualified institutional buyer”, as defined in Rule 144A of the U.S. Securities Act
U.S. Securities Act	United States Securities Act of 1933, as amended
US$/USD/US Dollar	United States Dollar, the official currency of the United States of America
USA/U.S./US	United States of America
VAT	Value Added Tax

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Draft Red Herring Prospectus to "**India**" are to the Republic of India. All references to the "**Government",** "**Indian Government**", "**Central Government**" or the "**State Government**" are to the Government of India, central or state, as applicable. All references in this Draft Red Herring Prospectus to the "**U.S.**", "**USA**" or "**United States**" are to the United States of America. All references in this Draft Red Herring Prospectus to "**Canada**", "**Singapore**", "**Dubai**", "**Malaysia**", "**Nigeria**", "**Rwanda**", "**Tanzania**", "**Uganda**", "**Ivory Coast**", "**Benin**", **Bangladesh**", "**Nepal**", "**China**", "**Kenya**" and "**Saudi Arabia**" are to the Dominion of Canada, the Republic of Singapore, the city of Dubai in the United Arab Emirates, the Federation of Malaya, the Federal Republic of Nigeria, the Republic of Rwanda, the United Republic of Tanzania, the Republic of Uganda, the Republic of Côte d'Ivoire, the Republic of Benin, People's Republic of Bangladesh, Federal Democratic Republic of Nepal, the Republic of China, the Republic of Kenya and the Kingdom of Saudi Arabia and their territories and possessions, respectively.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The restated consolidated financial information of our Company, its subsidiaries, its joint ventures and its associates comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profits and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flows for the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to Audited Consolidated Financial Statements, each derived from the audited consolidated financial statements of our Company, its subsidiaries, its associates and its joint ventures as at and for the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019, each prepared in accordance with Ind AS, and restated in accordance with the requirements of the Companies Act, 2013, SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.. For further information, see "***Financial Information***" on page 256.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year or FY, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

There are significant differences between Ind AS, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows***" on page 68. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Conditional and Results of Operations***" on pages 35, 155 and 383, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from Restated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All percentage figures have been rounded off to one decimal place. Further, any figures sourced from third party industry sources conform to their respective sources.

Non-GAAP Financial Measures

Certain non-GAAP financial measures relating to our financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be supplemental and useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, '*The Digital Transformation of Payments and Financial Services in India*' dated July 15, 2021 ("**RedSeer Report**") prepared by RedSeer Management Consulting Private Limited ("**RedSeer**"), which has been commissioned and paid for by our Company. RedSeer has required us to include the following disclaimer in connection with the RedSeer Report:

"*The market information in the RedSeer Report is arrived at by employing an integrated research methodology which includes secondary and primary research. Our primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. RedSeer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. RedSeer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. RedSeer shall not be liable for any loss suffered by any person on account of reliance on the information contained in the RedSeer Report.*

While RedSeer has taken due care and caution in preparing the RedSeer Report based on information obtained from sources generally believed to be reliable, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, data availability amongst others. Therefore, RedSeer does not guarantee the accuracy or completeness of the underlying data or the RedSeer Report.

Forecasts, estimates and other forward-looking statements contained in the RedSeer Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Additionally, the COVID-19 coronavirus pandemic has significantly affected economic activity in general and it is yet to be fully abated. The forecasts, estimates and other forward-looking statements in the RedSeer Report depend on factors like the recovery of the economy, evolution of consumer sentiments, the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.

The RedSeer Report is not a recommendation to invest/disinvest in any entity covered in the RedSeer Report and the RedSeer Report should not be construed as investment advice within the meaning of any law or regulation.

Without limiting the generality of the foregoing, nothing in the RedSeer Report should be construed as RedSeer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of the RedSeer Report shall be reproduced or extracted or published in any form without RedSeer's prior written approval."

Additionally, solely where specified, certain data in this Draft Red Herring Prospectus has been included from the report titled, '*BrandZ Top 75 Most Valuable Indian Brands2020*' dated September 18, 2020 published by Millward Brown Market Research Services India Private Limited, which is available at https://www.kantar.com/campaigns/brandz/india.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by our Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs, or any of their respective affiliates or advisors and none of these parties, jointly or severally, make any representation as to the accuracy of this information. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely amongst different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks***" on page 61. Accordingly, investment decisions should not be based solely on such information.

Currency and Units of Presentation

All references to:

- "**Rupees**" or "**₹**" or "**Rs.**" or "**INR**" are to Indian Rupee, the official currency of the Republic of India;
- "**U.S. Dollar**" or "**USD**" or "**US$**" are to United States Dollar, the official currency of the United States of America;
- "**AED**" are to United Arab Emirate dirham, the official currency of the United Arab Emirates;
- "**BDT**" are to Bangladesh Taka, the official currency of Bangladesh;
- "**CAD**" are to Canadian Dollars, the official currency of Canada;
- "**KSH**" are to Kenyan Shilling, the official currency of Kenya;
- "**MYR**" are to Malaysian Ringgit, the official currency of Malaysia;
- "**NGN**" or "**Naira**" are to Nigerian Naira, the official currency of the Nigeria;
- "**NPR**" are to Nepalese Rupee, the official currency of the Federal Democratic Republic of Nepal;
- "**RMB**" or "**¥**" to Renminbi, the official currency of the People's Republic of China;
- "**RWF**" are to Rwandan Franc, the official currency of the Republic of Rwanda;'
- "**SAR**" are to Saudi Riyal, the official currency of Saudi Arabia;
- "**SGD**" are to Singapore dollar, the official currency of the Republic of Singapore;
- "**TZS**" are to Tanzanian Shilling, the official currency of the United Republic of Tanzania;
- "**UGX**" are to Ugandian Shilling, the official currency of the Republic of Uganda; and

- “**XOF”** are to West African CFA Franc, the official currency of Republic of Côte d'Ivoire and the Republic of Benin.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakhs or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth as of the dates indicated, information with respect to the exchange rate between the Indian Rupee and other currencies:

(in ₹)

Currency	Exchange rate as on March 31, 2021	Exchange rate as on March 31, 2020	Exchange rate as on March 31, 2019[(1)]
1 US$	73.50	75.39	69.17
1 AED	19.94	20.44	18.82
1 BDT	0.85	0.87	0.81
1 CAD	58.06	53.20	51.49
1KSH	0.66	0.71	0.68
1 MYR	17.64	17.31	16.94
1 NGN	0.19	0.20	0.19
1 NPR	0.62	0.62	0.62
1 RMB	11.14	10.59	10.26
1 RWF	0.07	0.08	0.08
1 SAR	19.52	19.94	18.43
1 SGD	54.33	52.68	50.98
1 TZS	0.03	0.03	0.03
1 UGX	0.02	0.02	0.02
1 XOF	0.13	0.13	0.12

Source: www.rbi.org.in, www.fbil.org.in and www1.oanda.com

(1) *Exchange rate as on March 29, 2019, as FBIL reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and Saturday, respectively.*

Notice to Prospective Investors in the United States and to U.S. persons outside the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any other applicable law of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the U.S. Securities Act (“**U.S. Persons**”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”) in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “**U.S. QIBs**” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “**QIBs**”) and “qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "**QPs**") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an "offshore transaction" in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).

Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (together with the rules, regulations and published guidance thereunder, as amended, the "**Volcker Rule**") generally prohibits "banking entities" from engaging in proprietary trading, or from acquiring or retaining an "ownership interest" in, sponsoring or having certain relationships with "covered funds", unless pursuant to an exclusion or exemption under the Volcker Rule. Our Company may be considered a "covered fund" for purposes of the Volcker Rule because of reliance on an exemption from definition of an "investment company" under Section 3(c)(7) of the U.S. Investment Company Act. Each purchaser of the Equity Shares must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain the Equity Shares. Investors in the Equity Shares are responsible for analysing their own regulatory position and none of the Issuer or the Underwriters or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Equity Shares regarding the treatment of the Company under the Volcker Rule, or to such investor's investment in the Equity Shares on the date of issuance or at any time in the future. See "***Risk Factors – Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares***" on page 75 of this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Notice to Prospective Investors in the European Economic Area

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares will be made pursuant to an exemption under the Prospectus Regulation (as defined below), as applicable to Member States of the European Economic Area ("**EEA**"), from the requirement to produce a prospectus for offers to the public of Equity Shares. The expression "Prospectus Regulation" means Regulation (EU) 2017/1129. Accordingly, any person making or intending to make an offer to the public within the EEA of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Selling Shareholders or any of the JGC-BRLMs or the BRLMs to produce a prospectus for such offer pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. None of our Company, the Selling Shareholders, the JGC-BRLMs or the BRLMs have authorised, nor do they authorise, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the JGC-BRLMs or the BRLMs which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Member State in the EEA means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

Information to Distributors (as defined below)

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II;

and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, 'distributors' (for the purposes of the MiFID II Product Governance Requirements) ("**Distributors**") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the JGC-BRLMs and the BRLMs will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

Notice to Prospective Investors in the United Kingdom

This Draft Red Herring Prospectus has been prepared on the basis that all offers to the public of Equity shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression "UK Prospectus Regulation" means Prospectus Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Accordingly, any person making or intending to make an offer to the public within the United Kingdom of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Selling Shareholders or any of the JGC-BRLMs or the BRLMs to produce a prospectus for such offer pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. None of our Company, the Selling Shareholders, the JGC-BRLMs or the BRLMs have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Members of the Syndicate which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

Information to Distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook ("**PROD**") (the "**UK MiFIR Product Governance Rules**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of: (a) investors who meet the criteria of professional clients as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (b) eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (c) retail clients who do not meet the definition of professional client under (b) or eligible counterparty per (c); and (ii) eligible for distribution through all distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the JGC-

BRLMs and the BRLMs will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A respectively; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

Notice to Prospective Investors in Canada

The Equity Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Draft Red Herring Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "***aim***", "***anticipate***", "***are likely***", "***believe***", "***expect***", "***estimate***", "***intend***", "***likely to***", "***objective***", "***plan***", "***propose***", "***project***", "***will***", "***seek to***", "***will continue***", "***will pursue***" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are 'forward-looking statements'.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industries in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Inability to attract merchants to our ecosystem, grow our relationships with our existing merchants, and increase transaction volumes throughout our platforms;
- Failure to attract new consumers or increase in our customer acquisition costs;
- Inability to maintain and strengthen the network effects of our platform;
- Inability to expand our service offerings and market reach;
- Ongoing COVID-19 pandemic;
- A failure to manage our growth effectively may lead to inability to execute our business plan or maintain high levels of service and satisfaction;
- Inability to innovate and develop new services;
- Failure to maintain or improve our technology infrastructure;
- Ineffectiveness of our sales and marketing efforts in attracting consumers and merchants; and
- Significant increase in the payment processing charges payable to financial institutions and card networks.

For details regarding factors that could cause actual results to differ from expectations, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 35, 155 and 383, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company, the JGC-BRLMs and the BRLMs will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders shall, severally and not jointly, ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for their respective portion of the Offered Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each Selling Shareholder, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder in relation to itself and its respective portion of the Offered Shares.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including "***Risk Factors***", "***The Offer***", "***Capital Structure***", "***Objects of the Offer***", "***Industry Overview***", "***Our Business***", "***Restated Financial Statements***", "***Outstanding Litigation and Material Developments***", "***Offer Procedure***", and "***Main Provisions of the Articles of Association***" on pages 35, 76, 86, 107, 123, 147, 248, 394, 434 and 454, respectively.

Summary of Business

We are India's leading digital ecosystem for consumers and merchants, according to RedSeer. We offer payment services, commerce and cloud services, and financial services to 333 million consumers and over 21.1 million merchants, as of March 31, 2021. Our two-sided (consumer and merchant) ecosystem enables commerce, and provides access to financial services through our financial institution partners, by leveraging technology to improve the lives of our consumers and help our merchants grow their businesses.

Summary of Industry

India is a country of hundreds of millions of young and aspiring consumers who are underserved for payments and financial services products that serve their needs. There are millions of small businesses in India that would benefit by having increased access to affordable software, technology and financial services. Consumers and small businesses can be served through technology-led, digital-first commerce, according to RedSeer. We believe that the market segments that we serve have large growth potential, due to significant under-penetration, and the ability of technology to grow the market.

Names of our promoters

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act, 2013.

Offer Size

The following table summarizes the details of the Offer size:

Offer^(1)(2)(3)	Up to [●] Equity Shares aggregating up to ₹ 166,000 million
of which:	
(i) Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 83,000 million
(ii) Offer for Sale(2)	Up to [●] Equity Shares aggregating up to ₹ 83,000 million by the Selling Shareholders
Employee Reservation Portion(3)	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million

^ *Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.*

(1) *The Offer has been authorised by our Board pursuant to resolution passed on June 14, 2021 and Fresh Issue has been approved by our Shareholders pursuant to special resolution passed on July 12, 2021.*

(2) *Each Selling Shareholder has confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. For details on the authorisation of each of the Selling Shareholders in relation to the Offered Shares, see "**Other Regulatory and Statutory Disclosures**" on page 419..*

(3) *In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ [●]), shall be added to the Net Offer. For further details, see "**Offer Structure**" on page 445.*

The Offer shall constitute [●]% of the post-Offer paid up equity share capital of our Company.

Objects of the Offer

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

S. No	Particulars	Total estimated amount / expenditure
1.	Growing and strengthening our Paytm ecosystem, including through acquisition of consumers and merchants and providing them with greater access to technology and financial services	43,000
2.	Investing in new business initiatives, acquisitions and strategic partnerships	20,000
3.	General corporate purposes(1)	[●]

(1) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25.00% of the Net Proceeds.*

For further details, see "***Objects of the Offer***" on page 115.

Aggregate pre-Offer shareholding of Selling Shareholders

The aggregate pre-Offer shareholding of the Selling Shareholders as on the date of the DRHP, as a percentage of the pre-Offer paid-up Equity Share capital of our Company on a fully diluted basis is set out below:

Name of Selling Shareholder	Number of Equity Shares held	Percentage of the pre-Offer paid-up equity share capital (%)
Founder Selling Shareholder		
Vijay Shekhar Sharma	5,95,45,834	9.61
Investor Selling Shareholders		
SAIF III Mauritius Company Limited	74,910,610	12.1
SAIF Partners India IV Limited	31,802,020	5.1
Elevation Capital V Limited	3,611,410	0.6
Elevation Capital V FII Holdings Limited	4,233,000	0.7
Alibaba.com Singapore E-Commerce Private Limited	44,282,140	7.2
Antfin (Netherlands) Holding B.V.	183,301,220	29.6
SVF Panther (Cayman) Limited	7,855,970	1.3
BH International Holdings	17,027,130	2.8
Other Selling Shareholders		
Mountain Capital Fund, L.P.	2,527,780	0.2
RNT Associates Private Limited	75,000	Negligible
DG PTM LP	4,762,270	0.7
Mr. Ravi Datla	29,250	Negligible
Mr. Varun Gupta	23,520	Negligible
Mr. Amit Khanna	7,500	Negligible
Mr. Prakhar Srivastava	10,030	Negligible
Mr. Narendra Singh Yadav	8,000	Negligible
Mr. Abhishek Arun	27,930	Negligible
Mr. Shapath Parikh	550	Negligible
Ms. Muskaan Parikh	550	Negligible
Mr. Saurabh Sharma	73,380	Negligible
Mr. Manas Bisht	10,690	Negligible
Mr. Sanjay S. Wadhwa	2,000	Negligible
Mr. SasiRaman Venkatesan	10,560	Negligible
Mr. N. Ramkumar	20,010	Negligible
Mr. Abhay Sharma	96,440	Negligible
Mr. Krishna Kumar Rathi	43,640	Negligible
Total	**434,298434**	**71.7**

Summary of Restated Financial Statements

The following details of our Equity Share capital, net worth, net asset value per Equity Share and total borrowings for FY 2021, 2020 and 2019 and total income, profit/(loss) after tax and earnings per Equity Share (basic and diluted) for FY 2021, 2020 and 2019 are derived from the Restated Financial Statements (except as stated in the note below):

(₹ in million, unless otherwise specified)

Particulars	As at and for FY 2021	As at and for FY 2020	As at and for FY 2019
Equity share capital	605	604	575
Net worth	65,348	81,052	57,249
Total income	31,868	35,407	35,797
Profit/(loss) after tax	(17,010)	(29,424)	(42,309)
Earnings per Equity Share			
- Basic (in ₹)	(282)	(488)	(746)
- Diluted (in ₹)	(282)	(488)	(746)
Net asset value per Equity Share (in ₹)	1,084	1,347	1,000
Total borrowings	5,449	2,087	6,962

Notes:

1. *Total income is excluding total income from discontinued operation for the year ended March 31, 2021: ₹ Nil (March 31, 2020: ₹ Nil; March 31, 2019: ₹ 15 million)*
2. *Profit/(loss) after tax and earnings per Equity Share for the FY ended March 31, 2019 are including loss after tax and earnings per Equity Share of ₹53 million and ₹ (1), respectively, from discontinued operations.*
3. *Net asset value per equity share: Net worth for equity holders of our Company divided by number of equity shares outstanding at the end of the year, excluding treasury shares.*
4. *Total borrowing are including current maturities of other borrowings amounting to ₹ Nil (March 31, 2020: ₹ 6 million; March 31, 2019: ₹ 6 million).*
5. *"Net worth" means the aggregate value of the share capital, securities premium, employee stock options outstanding account, retained earnings, share application money pending allotment, other reserves- FVTOCI and other reserves- FCTR, as per the Restated Financial Statements. Net worth represents equity attributable to owners of the Company and does not include amount attributable to non-controlling interests.*

The Company in its annual general meeting held on June 30, 2021 has approved sub-division of each equity share of ₹10 each into 10 Equity Shares of ₹1 each. Our Earnings per Equity Share and Net asset value per Equity Share post sub-division of Equity Shares are as follows:

Particulars	As at and for FY 2021	As at and for FY 2020	As at and for FY 2019
Earnings per Equity Share *			
- Basic (in ₹)	(28)	(49)	(75)
- Diluted (in ₹)	(28)	(49)	(75)
Net asset value per Equity Share (in ₹)	108	135	100

** The computation above is after considering impact of share sub-division and hence the above information is not derived from the Restated Financial Statements.*

Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Directors and our Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in million)

Nature of Cases	Number of outstanding cases	Amount involved*
Litigation involving our Company		
Criminal proceedings	23	61.2
Material civil litigation	1	383.6
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	18	37, 299**
Litigation involving our Subsidiaries		
Criminal proceedings	1	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	22	143. 1
Litigation involving our Directors		
Criminal proceedings	1	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Group Companies		

Nature of Cases	Number of outstanding cases	Amount involved*
Outstanding litigation which may have a material impact on our Company	Nil	Nil

* *To the extent quantifiable.*

***The disclosures are inclusive of the show cause notice dated December 29, 2020 issued by the Office of Deputy Commissioner, Noida, ("**SCN**") to our Company in relation to the tax returns filed by our Company for the period between April 2020 – September 2020 ("**Period**"). The SCN alleged that due tax had not been paid under correct head and input tax credit had been wrongly claimed/availed and utilized by our Company by making wilful-mistatements and supersession of facts for the Period, and directed our Company to provide explanations in relation to the issues raised in the SCN. The SCN proposed to levy levied a tax demand comprising of a tax amount of Rs. 17,895.0 mn, and an interest and penalty of Rs.19,387.9 mn. Our Company, through reply dated January 14, 2021, responded to the SCN, and provided details and explanations sought in the SCN, and prayed before the Deputy Commissioner, Noida, among others, to drop the proposed tax demands raised in the SCN and hold the proceedings initiated pursuant to the SCN as not-sustainable and liable to be dropped.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and ***"Risk Factors"*** on page 408 and page 35 respectively.

Risk factors

For further details, see "***Risk Factors***" on page 35.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as of March 31, 2021:

(₹ in million)

S. No.		Particulars	As of March 31, 2021
1.	(a)	Claims against the Group* not acknowledged as debts	476
	(b)	Income tax related matters	16
	Total		**492**
2.	The Group will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the Restated Financial Statements.		
3.	During the year ended March 31, 2021, our Company has been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. Our Company actively monitors such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.		

***** *"Group" shall include the Company and its subsidiaries as per the Restated Financial Statements*

Notes:

1. *It is not practicable for the Group to estimate the timing of cash outflows, if any.*
2. *The Group does not expect any reimbursements in respect of the above contingent liabilities.*

For details, see "***Restated Financial Statements***" on page 256.

Summary of Related Party Transactions

(₹ in million)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Rendering of services to related parties			
Paytm Payments Bank Limited	8,634	8,752	9,277
Paytm First Games Private Limited	204	88	14
Infinity Transoft Solution Private Limited	4	15	-
Eatgood Technologies Private Limited	*	5	-
Socomo Technologies Private Limited	-	-	*
	8,842	**8,860**	**9,291**
Reimbursement of expenses incurred on behalf of related parties			
Paytm Payments Bank Limited	617	945	1,466

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Paytm First Games Private Limited	238	42	23
Paytm General Insurance Limited	*	-	-
	855	**987**	**1,489**
Expenses reimbursed to related party			
Paytm First Games Private Limited	87	-	-
	87	**-**	**-**
Interest income earned from related parties			
Paytm Payments Bank Limited	14	26	39
Paytm Financial Services Limited	2	-	-
Paytm First Games Private Limited	20	-	-
	36	**26**	**39**
Other income earned from related parties#			
Paytm Payments Bank Limited	122	-	-
	122	**-**	**-**
Sale of property, plant & equipment to related parties			
Paytm Payments Bank Limited	1	186	-
	1	**186**	**-**
Gain on sale of business			
Paytm First Games Private Limited	-	-	422
	-	**-**	**422**
Services received from related parties			
-Payment processing charges			
Paytm Payments Bank Limited	9,468	9,690	9,183
	9,468	**9,690**	**9,183**
-General expenses			
Paytm Payments Bank Limited	374	1,091	71
Alipay Labs (Singapore) Pte Limited	1,057	793	510
Eatgood Technologies Private Limited	20	-	-
Paytm Insuretech Private Limited	2	-	-
	1,453	**1,884**	**581**
Issue of equity shares			
Alipay Singapore E-Commerce Private Limited	-	8	-
SAIF Partners India IV Limited	-	-	1
	-	**8**	**1**
Security premium received			
Alipay Singapore E-Commerce Private Limited	-	14,322	-
SAIF Partners India IV Limited	-	-	999
	-	**14,322**	**999**
Inter corporate loan given			
Paytm Financial Services Limited	450	-	-
Paytm First Games Private Limited	809	-	-
	1,259	**-**	**-**
Stock Options granted to employees of Group Companies			
Paytm First Games Private Limited	19	33	28
	19	**33**	**28**
Investment in joint venture			
Paytm First Games Private Limited	-	805	597
	-	**805**	**597**
Investment in associates			
Paytm General Insurance Limited	5	-	*
Paytm Life Insurance Limited	-	-	*
Blueface Technologies Private Limited	-	99	-
Infinity Transoft Solution Private Limited	-	100	-
Eatgood Technologies Private Limited	82	490	-
	87	**689**	**1**
Remuneration to KMP (under Ind AS 24) & Relatives of Individuals owning interest in the voting power of the Group that gives the control or significant influence			
Salaries, bonus and incentives	72	56	61
ESOP Expenses	112	45	94
Total compensation paid	**184**	**101**	**155**

#*Included under miscellaneous income disclosed under "**Financial Statements – Restated Financial Statements – Annexure V – Note 15**"on page 307.*
**Amount below rounding off norms adopted by the Group.*

For further details of the related party transactions and as reported in the Restated Financial Statements, see "***Restated Financial Statements***" on page 256.

Financing Arrangements

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the relevant financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which equity shares were acquired by our Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, no other Selling Shareholder has acquired equity shares in the one year preceding the date of this Draft Red Herring Prospectus. The weighted average price at which equity shares were acquired by the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

Selling Shareholder	Number of Equity Shares acquired	Weighted average price per equity share (in ₹)*
Founder Selling Shareholder		
Vijay Shekhar Sharma	N.A.	N.A.
Investor Selling Shareholders		
SAIF III Mauritius Company Limited	N.A.	N.A.
SAIF Partners India IV Limited	N.A.	N.A.
Elevation Capital V Limited	36,500	901.0
Elevation Capital V FII Holdings Limited	N.A.	N.A.
Alibaba.com Singapore E-Commerce Private Limited	N.A.	N.A.
Antfin (Netherlands) Holding B.V.	N.A.	N.A.
SVF Panther (Cayman) Limited	N.A.	N.A.
BH International Holdings	N.A.	N.A.
Other Selling Shareholders		
Mountain Capital Fund, L.P.	N.A.	N.A.
RNT Associates Private Limited	N.A.	N.A.
DG PTM LP	N.A.	N.A.
Mr. Ravi Datla	33,250	9.0
Mr. Varun Gupta	13,440	9.0
Mr. Amit Khanna	N.A.	N.A.
Mr. Prakhar Srivastava	7,100	9.0
Mr. Narendra Singh Yadav	N.A.	N.A.
Mr. Abhishek Arun	N.A.	N.A.
Mr. Shapath Parikh	N.A.	N.A.
Ms. Muskaan Parikh	N.A.	N.A.
Mr. Saurabh Sharma	39,060	9.0
Mr. Manas Bisht	7,880	9.0
Mr. Sanjay S. Wadhwa	N.A.	N.A.
Mr. SasiRaman Venkatesan	N.A.	N.A.
Mr. N. Ramkumar	N.A.	N.A.
Mr. Abhay Sharma	N.A.	N.A.
Mr. Krishna Kumar Rathi	33,640	9.0

**As certified by J.C Bhalla & Co, Chartered Accountants, by way of their certificate dated July 15, 2021. Adjusted for stock split approved by the Shareholders on June 30, 2021. However, the equity shares disposed off in last one year has not been considered while computing weighted average cost of acquisition.*

Average cost of acquisition of equity shares of the Selling Shareholders

The average cost of acquisition per equity share to the Selling Shareholders as at the date of this Draft Red Herring Prospectus is:

Selling Shareholder	Number of Equity Shares acquired	Average cost of acquisition per equity share (in ₹)*
Founder Selling Shareholder		
Vijay Shekhar Sharma	113,685,560	0.5
Investor Selling Shareholders		
SAIF III Mauritius Company Limited	94,180,780	15.4
SAIF Partners India IV Limited	39,659,140	305.6
Elevation Capital V Limited	5,619,940	441.8
Elevation Capital V FII Holdings Limited	4,233,000	77.7
Alibaba.com Singapore E-Commerce Private Limited	44,282,140	583.4
Antfin (Netherlands) Holding B.V.	183,301,220	1,833.3
SVF Panther (Cayman) Limited	7,855,970	1,820.2
BH International Holdings	17,027,130	1,278.7
Other Selling Shareholders		
Mountain Capital Fund, L.P.	6,066,680	546.9
RNT Associates Private Limited	75,000	133.2
DG PTM LP	4,762,270	1,707.7
Mr. Ravi Datla	44,250	9.0
Mr. Varun Gupta	23,520	9.0
Mr. Amit Khanna	7,500	800.0
Mr. Prakhar Srivastava	14,210	9.0
Mr. Narendra Singh Yadav	22,780	9.0
Mr. Abhishek Arun	27,930	9.0
Mr. Shapath Parikh	1,800	282.2
Ms. Muskaan Parikh	1,800	282.2
Mr. Saurabh Sharma	73,380	9.0
Mr. Manas Bisht	11,250	9.0
Mr. Sanjay S. Wadhwa	2,000	749.0
Mr. SasiRaman Venkatesan	10,560	Nil
Mr. N. Ramkumar	20,010	1,056
Mr. Abhay Sharma	108,200	1.0
Mr. Krishna Kumar Rathi	43,640	9.0

**As certified by J.C Bhalla & Co, Chartered Accountants, by way of their certificate dated July 15, 2021. The average cost of acquisition has been calculated based on the cost of equity shares acquired/allotted/purchased (including acquisition pursuant to transfer) and also adjusted for stock split approved by the Shareholders on June 30, 2021. However, the equity shares disposed off in last one year has not been considered while computing average cost of acquisition.*

Details of pre-IPO placement

Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a further issue of Equity Shares, including by way of a private placement to any other person, aggregating up to ₹ 20,000 million, at its discretion, prior to the filing of the Red Herring Prospectus with the RoC ("**Pre-IPO Placement**"). If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

Offer of equity shares for consideration other than cash in the last one year

No equity shares were issued for consideration other than cash in the last one year.

Split/ Consolidation of equity shares in the last one year

Pursuant to the resolution passed by our Shareholders' at their annual general meeting held on June 30, 2021, each equity share of our Company of face value of ₹ 10 each was split into 10 Equity Shares of ₹ 1 each, therefore an aggregate of 104,106,600 equity shares of ₹ 10 each were split into 1,041,066,000 Equity Shares of ₹ 1 each, and the issued, paid-up and subscribed share capital of our Company was sub-divided from ₹605,385,270 divided into 60,538,527 equity shares of ₹10 each into ₹605,385,270 divided into 605,385,270 Equity Shares of ₹1 each. For details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2021***" on page 406.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in the Equity Shares.

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, the Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factor below, we are not in a position to quantify the financial or other implication of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see "**Our Business**", "**Industry Overview**", "**Key Regulations and Policies in India**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 155, 131, 197 and 383, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of us and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below. For details, see "**Forward-Looking Statements**" on page 26.*

Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been commissioned by us in connection with the Offer. Neither we, nor the Managers, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the RedSeer Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.

In this Draft Red Herring Prospectus, the term "GMV" refers to the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.

Internal Risks

Risks related to our business and industry

1. ***If we are unable to attract merchants to our ecosystem, grow our relationships with our existing merchants, and increase transaction volumes on our platforms, our business, results of operations, financial condition, cash flows and prospects could be materially and adversely affected.***

Our growth substantially depends on our ability to maintain and grow our relationships with existing merchants and increase the volume of transactions processed on our platforms. We rely on the continuing growth of our merchant relationships and our distribution channels in order to expand our GMV and our operations. We derive revenue primarily from the fees earned from merchants for the payments, commerce and cloud, and financial services we provide through our platforms. Our total merchant base has grown from 11.2 million as of March 31, 2019 to 21.1 million as of March 31, 2021, and our GMV has increased from ₹2,292 billion in FY 2019 to ₹4,033 billion in FY 2021. If we are not able to attract new merchants and retain existing merchants or increase transaction volumes on our platforms, our payment channels may struggle to gain wider acceptance among merchants, which in turn may impede our ability to grow our revenues. The attractiveness of our platforms to merchants and their willingness to partner with us depends upon, among other things: the variety and quality of service and product offerings, payment options offered to consumers, the size of merchant network and degree of consumer penetration; the strength of our brand and reputation; the amount of fees that we charge; our ability to sustain our value proposition to merchants for consumer acquisition by demonstrating higher conversion at checkout; the attractiveness to merchants of our technology and data-driven platform; our competitors' offerings; and our merchant satisfaction.

We may experience attrition of our merchant relationships due to several factors, some of which are outside our control, including business closures, bankruptcy, financial distress, transfers of merchants' accounts to our competitors, cancellations and account closures that we initiate due to heightened credit risks relating to contract breaches by merchants or a reduction in sales, which could have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, our growth to date has been partially driven by the growth of our merchants' businesses and the resulting growth in GMV. Should the rate of growth of our merchants' business slow or decline, this could have an adverse effect on volumes processed and therefore an adverse effect on our financial condition, cash flows and results of operations.

Further, our contracts with our merchants are typically for a limited period, ranging between six months and five years, or valid until terminated, and the terms of such contracts allow these merchants to terminate the contracts without cause by giving notice as per the terms of the agreement. We have no guarantee of income under these agreements or minimum requirements for the use of our products and services. Merchants may seek price reductions when expanding or changing their products and services with us and/or when the merchants' business experiences significant volume changes. Further, certain merchants may seek to lower prices previously agreed upon to pricing competition, volume increase or other economic needs or pressures faced by the merchant. In addition, some of our merchants often have arrangements with multiple payment service providers, primarily in order to mitigate certain risks, such as downtime, delayed response time or default by a payment service provider, as well as to maximize conversion among payments service providers, and to have a complete array of payment methods available. Therefore, these merchants could shift business away at any given time without necessarily terminating their contracts with us. If our contracts with our merchants are terminated or if these merchants shift business away from us, or if we are unsuccessful in retaining high renewal rates and favorable contract terms, our business, financial condition, cash flows and results of operations could be materially adversely affected.

In this connection, having a diversified mix of merchants across industries is important to mitigate risk associated with changing consumer spending behavior, economic conditions and other factors that may affect a particular type of merchant or industry. If we fail to retain any of our larger merchants or a substantial number of our smaller merchants, if we do not acquire new merchants, if we do not increase transaction volumes on our platforms, or if we do not attract and retain a diverse mix of merchants, our business, results of operations, financial condition, cash flows and prospects would be materially and adversely affected.

2. If we fail to retain our consumers, attract new consumers, expand the volume of transactions from consumers, or if our consumer acquisition costs increase, our business, revenue, profitability and growth may be harmed.

Our success depends on our ability to generate repeat use and increased transaction volume from existing consumers and to attract new consumers to our platforms. We generate revenue when consumers use the products and services we offer on our platforms, such as, transact and pay for products and services, make bill payments and recharges and transfer money, among others. If we are not able to continue to grow our consumer base, we will not be able to continue to grow our merchant network or our business. Our ability to retain and grow our consumer base depends on the willingness of consumers to use our platforms, products and services. The attractiveness of our platforms to consumers depends upon, among other things: the number and variety of merchants and the mix of products and services available through our platforms; our brand and reputation; consumer experience and satisfaction; consumer trust and perception of our solutions; technological innovation; and products and services offered by competitors. Our marketing efforts currently include digital and print marketing, sponsorships for sporting events and promotional discounts and offers to our merchants and consumers. While our marketing and promotion expenses as a percentage of our revenue from operations has been decreasing gradually, we may need to introduce new marketing options and our marketing initiatives may become increasingly expensive and generating a meaningful return on these initiatives may be difficult. If we fail to retain our relationship with existing consumers, if we do not attract new consumers to our platforms, or if we do not continually expand transaction volumes from consumers on our platform, our business, results of operations, financial condition, cash flows and prospects would be materially and adversely affected

3. We may not be able to maintain and strengthen the network effects of our platform, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our ecosystem has multiple, unique self-reinforcing flywheels, which drive continuous growth of consumers and merchants on our ecosystem. Our consumers and merchants, interact with each other on our ecosystem to create very strong network effects which drives our growth further. The extent to which we are able to maintain and strengthen these network effects depends on our ability to:

- attract and retain consumers and merchants and provide superior satisfactory experience to them;
- offer and maintain scalable and efficient platforms;
- provide a wide range of high-quality, secure and trustworthy products and services;
- maintain a high level of engagement and activity of consumers and merchants on our platforms;
- improve the quality of our consumer insights;
- consistently innovate and improve the products and services offered on our platforms;
- address consumer concerns with respect to data security and privacy in connection with our data processing activities;
- increase the effectiveness of businesses and partners engaging with consumers on our platforms;
- attract and retain merchants that are able to provide quality products and services on commercially reasonable terms on our platforms; and
- continue adapting to the changing demands of the market and consumer behavior and preference.

In addition, changes that we implement to our platforms to improve the merchant and consumer experience may not have the intended effect which could adversely impact certain groups of consumers To the extent we are not able to address the needs and demands of any particular participant group, those participants may spend less time, mind-share and resources on our platforms and may conduct fewer transactions or use alternative platforms, any of which could result in a material decrease in the network effects on our platforms and therefore have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

4. We derive a majority of our revenue from our payment services. Our efforts to expand our service offerings and market reach may not succeed and may impact our revenue and our growth.

We derive a majority of our revenue from transaction fees we collect from merchants for our payment services. In FY 2019, FY 2020 and FY 2021, revenue from our payment and financial services accounted for 52.5%, 58.1% and 75.3% of our revenue from operations. Our efforts to expand our payment services depends on among other things, our ability to broaden the scope of the products and services we offer, develop new technologies, enhance the functionality of our products and services and respond to the needs of our merchants and consumers. Our failure to broaden the scope of payments services that are attractive may inhibit the growth our business, as well as increase the vulnerability of our core payments business to competitors. Further, our revenue may also be affected by our service mix. We generate higher fees from the use of certain payment instruments compared to others. For example, we do not charge any fees for certain transactions through Rupay debit cards and UPI to comply with prescribed merchant discount rates. Any unfavourable changes in merchant discount rates could have a material adverse impact on our operations, cash flows and financial condition.

5. The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations.

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization ("**WHO**") on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses were ordered and numerous other businesses were temporarily closed on a voluntary basis as well. Resurgence of COVID-19 in India in April 2021 led to further lockdowns in various regions of India and businesses are temporarily closed. While lockdowns are being progressively relaxed, the scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

Lockdowns imposed as a result of the pandemic impacted our operations, in particular our commerce and cloud business. Revenue from our commerce and cloud services decreased by 38.0% to ₹6,932 million in FY 2021 from ₹11,188 million in FY 2020. Our Commerce GMV declined in FY 2021 primarily due to disruptions to our partners in travel, entertainment and e-commerce industries. According to RedSeer, during the FY 2021 the travel industry declined by approximately 55% and movies and events declined by 88% compared to FY 2020 due to the various restrictions imposed as a result of the COVID-19 pandemic. While our revenue from our payments and financial services increased in FY 2021 compared to FY 2020, the pandemic disrupted many of our merchant partners with particular severity from March 2020 to May 2020. This resulted in a decline in our payments volumes, as our GMV remained flat during fourth quarter of FY 2020 and declined by 14% during the first quarter of FY 2021, respectively, compared to the third quarter of FY 2020. As lockdowns eased in India in the second quarter of FY 2021, our GMV increased consistently for the rest of the FY 2021.

The pandemic has adversely impacted, and is likely to continue to adversely impact, our operations and the operations of our merchants and business partners. The pandemic has caused us to modify our business practices to help minimize the risk of the virus to our employees, our merchants, and the communities in which we participate, which could negatively impact our business. These measures include temporarily requiring employees to work remotely, suspending all non-essential business travel for our employees, limiting external guests visiting our offices, and canceling, postponing, or holding meetings and events virtually. Given the continually evolving situation, there is no certainty that the measures we have taken will be sufficient to mitigate the risks posed by the pandemic.

The extent to which the COVID-19 pandemic impacts our business, results of operations, cash flows and financial condition will depend on developments that continue to be highly uncertain and difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, the availability, distribution and efficacy of vaccines, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, we may experience material and adverse impacts to our business as a result of the virus's global economic impact, including the availability of credit, bankruptcies or insolvencies of merchants, and recession or economic downturn.

6. ***If we fail to manage our growth effectively, we may be unable to execute our business plan or maintain high levels of service and satisfaction, and our business, results of operations, and financial condition could be adversely affected.***

We have experienced significant expansion in the last three fiscal years and anticipate that we will continue to expand in order to address potential growth in our merchant base and take advantage of market opportunities. Our GMV has increased from ₹2,292 billion in FY 2019 to ₹4,033 billion in FY 2021, and our monthly transacting users ("**MTU**") have grown consistently during FY 2021 and in the fourth quarter of FY 2021 our average MTU was 50.4 million. Our total number of merchants has grown from 11.2 million as of March 31, 2019 to 21.1 million as of March 31, 2021. If we are unable to maintain at least our current level of operations, our business, results of operations, financial condition, cash flows and prospects would be materially and adversely affected. Many factors may contribute to a decline in our revenue growth rates, including increased competition, slowing demand for our products and services from existing and new consumers, reduced market acceptance of our existing products and services, transaction volume and mix, lower sales by our merchants, our merchants seeking to reduce the fees we charge to them, general economic conditions, government actions and policies, a failure by us to continue capitalizing on growth opportunities, changes in the regulatory environment and the maturation of our business, among others. We cannot assure you that our current and planned systems, policies, procedures and controls, personnel and third-party relationships will be adequate to support our future operations. Our failure to manage growth effectively could seriously harm our business, results of operations, cash flows and financial condition.

To manage operations and personnel growth, we will need to continue to grow and improve our operational, financial, and management controls and our reporting systems and procedures. We will require significant capital expenditures and the allocation of valuable management resources to expand our systems and infrastructure without any assurances that our net revenue will increase. We also believe that our corporate culture has been and will continue to be a valuable component of our success. As we expand our business and mature as a listed company, we may find it difficult to maintain our corporate culture while managing this growth. Failure to manage our anticipated growth and organizational changes in a manner that preserves the key aspects of our culture could reduce our ability to recruit and retain personnel, innovate, operate effectively, and execute on our business strategy, potentially adversely affecting our business, results of operations, cash flows and financial condition.

We will need to adapt and upgrade our controls, policies, procedures and overall operations to accommodate our growing operations and supporting personnel. Moreover, the speed with which our internal controls and procedures are implemented or adapted to changing regulatory or commercial requirements may be inadequate to ensure full and immediate compliance, leaving us vulnerable to inconsistencies and failures that may have a material adverse effect on our business, results of operations, cash flows and financial condition.

7. ***Failure to maintain or improve our technology infrastructure could harm our business and prospects.***

It is critical to our success that all participants are able to access our platforms, at all times. Our systems, or those of third-parties upon which we rely, may experience service interruptions or degradation or other performance problems because of hardware and software defects or malfunctions, unexpected high volume of transactions, distributed denial-of-service and other cyberattacks, infrastructure changes, human error, earthquakes, hurricanes, floods, fires, natural disasters, power losses, disruptions in telecommunications services, unauthorized access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Our systems also may be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by our own employees, all of which would impact our ability to provide secure and seamless access to our platforms, which would have an adverse impact on our operations and reputation.

The software underlying our platforms is complex and may contain undetected errors or vulnerabilities, some of which may only be discovered at a subsequent stage or may not get discovered at all. Our practice is to release frequent software updates. Any errors, vulnerabilities or infringements discovered in our code or from third-party software after release could result in negative publicity, a loss of consumer or loss of revenue, legal proceedings, and access or other performance issues. Such vulnerabilities could also be exploited by malicious actors and result in exposure of data of the participants on our platform, or otherwise result in a security breach or other security incident. Any failure to timely and effectively resolve any such errors, defects, or vulnerabilities could adversely affect our business, reputation, brand, financial condition, cash flows and results of operations. We have experienced and will likely continue to experience system failures and other events or conditions from time to time that interrupt the availability or reduce or affect the speed or functionality of our platform. These system failures generally occur either as a result of software updates being deployed with unexpected errors or as a result of temporary infrastructure failures related to storage, network, or computing capacity being exhausted. Further, in some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time.

Any failure to maintain and improve our technology infrastructure could result in unanticipated system disruptions, slower response times, impaired consumer experience, delays in reporting accurate operating and financial information and failures in risk management. The risks of these events occurring are even higher during certain periods of peak usage and activity, such as on or around various shopping festivals or other promotional events, when transaction volume is significantly higher on our payment network compared to other days of the year. In addition, much of the software and interfaces we use are internally developed and proprietary technology. If we experience problems with the functionality and effectiveness of our software, interfaces or platform, or are unable to maintain and continuously improve our technology infrastructure to handle our business needs, our business, financial condition, cash flows, results of operations and prospects, as well as our reputation and brand, could be materially and adversely affected.

Furthermore, our technology infrastructure, products and services, including our service offerings, incorporate third-party-developed software, systems and technologies, as well as hardware purchased or commissioned from outside and overseas suppliers. As our technology infrastructure, products and services expand and become increasingly complex, we face increasingly serious risks to the performance and security of our technology infrastructure, products and services that may be caused by these third-party-developed components, including risks relating to incompatibilities among these components, service failures or delays or back-end procedures on hardware and software. We also need to continuously enhance our existing technology. Otherwise, we face the risk of our technology infrastructure becoming unstable and susceptible to security breaches. This instability or susceptibility could create serious challenges to the security and uninterrupted operation of our platforms, products and services, which would materially and adversely affect our business and reputation.

8. ***We offer some of our services in partnership with our Group Company, Paytm Payments Bank. Any failure by Paytm Payments Bank to support these services could adversely impact these services and could impact our overall business, financial condition and results of operations.***

We own 49% equity interest in Paytm Payments Bank and Mr. Vijay Shekhar Sharma holds the remaining 51%. Many of the payment instruments or channels, such as Paytm Wallet, Paytm UPI, NACH, Paytm FASTag and Fixed Deposits are offered on our platforms by Paytm Payments Bank in accordance with the respective agreements executed between our Company and Paytm Payments Bank. The tenure of these agreements vary from being perpetual in nature to having a fixed term ranging between three years and five years, with an option to renew for a further period on termination as per mutual agreement. These agreements also stipulate that each party may terminate the contracts for cause by giving a notice of 120 days and a notice ranging between 30 to 90 days without cause for convenience. In the event of termination of the agreements with Paytm Payments Bank, Company might need to enter into agreements with third parties who might charge higher rates for services which could adversely impact the Company's business, financial condition and prospects. Under the terms of the shareholders' agreement with Paytm Payments Bank, our Company has a call option right on any proposed transfer of shares of Paytm Payments Bank by Mr. Vijay Shekhar Sharma, subject to him holding at least 40% of the share capital of Paytm Payments Bank during such mandatory lock in period on shares of promoter as may be imposed by the RBI and various associated legal considerations such as mandatory lock in on shares of promoter and foreign direct investment limits, among others. For more details, see "***Our Business – Financial Services – Paytm Payments Bank – Our relationship with Paytm Payments Bank***" on page 184.

As a licensed payments bank in India, Paytm Payments Banks' business is highly regulated and is subject to various regulatory requirements in India. For details, see "***Key Regulations and Policies in India***" on page 197. The RBI and certain other regulatory authorities conduct regular and ad hoc inspections, examinations and inquiries on Paytm Payments Bank's business operations and compliance with laws and regulations, and have the authority to impose sanctions, penalties or remediation actions. If Paytm Payments Bank fails to comply with laws, regulations or policies, or loses its licenses, and as a result is unable to provide services to us for which we have partnered with it, our business, reputation, financial condition, cash flows, results of operations and prospectus may be materially and adversely affected to that extent. These various regulatory requirements and their interpretation, application and enforcement relating to Paytm Payments Bank may increase its compliance costs or limit its scale of operations which could also increase our cost of availing its services, and in turn have a material adverse impact on our financial condition, cash flows and results of operations.

For some of our business strategies to be successful, Paytm Payments Bank must be able to provide us with services for which we have partnered with it, in compliance with regulatory requirements as well the terms of the agreements executed by Paytm Payments Bank with us, at acceptable costs and on a timely basis. Any failure by Paytm Payments Bank to provide these services to us may interrupt our ability to provide some of the services to our merchants and consumers, which could have a material adverse impact on our operations to that extent.

9. We rely on our financial institutions partners to provide our financial services and products, and any failure to maintain our relationships with them could have an adverse impact on our operations.

We partner with financial institutions partners to provide financial services and products to consumers and merchants. Our financial institutions partners include commercial banks, mutual fund managers, insurance companies, securities firms and other licensed financial institutions. Our success depends on our ability to maintain a mutually beneficial partnership with these financial institutions. Our financial institutions partners may determine to reach and acquire consumers directly instead of partnering with us; may renegotiate commercial terms of the fee arrangements we have with them; may become unwilling to offer products and services on our platforms; and may reduce or cease their cooperation with us and therefore expose us to greater partner concentration risk or ultimately lead to our inability to satisfy demand from consumers.

The agreements with our financial institutions partners are typically for a fixed period varying from three years to five years, with automatic renewal for a further period, unless terminated. Our financial institutions partners may terminate these agreements without any reason by typically giving a notice of 30 days or with immediate effect in case of any material breach of our obligations under these agreements and on the occurrence of certain other events. In relation to the agreements providing for borrower acquisition, we are required conduct and/or facilitate the KYC verification and risk assessment of potential borrowers and communicate the results to the lender. However, we may not be able to identify any potential red flags in our analysis which may later be identified by the lender, which may impact our credibility and ability to facilitate acquisition of creditworthy borrowers. Further, our marketing efforts may not generate the desired results and may fail to engage our consumers and lead to satisfactory acquisition rates as expected by our financial institutions partners. For instance, we have entered into collection agreements with various financial institution partners under which we provide collection services to such financial institution partners in respect of loans that are extended by them. Collection fees under these agreements are paid to our Company based on the collection targets, and non-achievement of such targets could have an impact on the service fees to be paid to us, which could in turn have a adverse impact on our financial condition, cash flows and results of operations.

10. We have a history of net losses, we anticipate increasing operating expenses in the future, and we may not be able to achieve and maintain profitability.

We have incurred net losses for the last three years, including a restated total comprehensive income/(loss) for the year including discontinued operations of ₹(42,355) million, ₹(29,433) million and ₹(17,040) million in FY 2019, FY 2020 and FY 2021, respectively. We expect to continue to incur net losses for the foreseeable future and we may not achieve or maintain profitability in the future. Because the market for our platforms, products and services is evolving, it is difficult for us to predict our future results of operations or the limits of our market opportunity. We expect our operating expenses to increase as we hire additional personnel, expand our operations and infrastructure, both domestically and internationally, continue to enhance our platforms and develop and expand its capabilities, expand our products and services, and expand and improve our interface. These initiatives may be more costly than we expect and may not result in increased net revenue. In addition, when we become a listed company, we will incur additional significant legal, accounting, and other expenses that we did not incur as an unlisted company. Any failure to increase our net revenue sufficiently to keep pace with our initiatives, investments, and other expenses could prevent us from achieving or maintaining profitability or positive cash flow on a consistent basis in future periods. If we fail to achieve or maintain profitability, our business, results of operations, cash flows and financial condition could be adversely affected. We cannot assure you that we will ever achieve or sustain profitability and may continue to incur significant losses going forward. Any failure by us to achieve or sustain profitability on a consistent basis could cause the value of our Equity Shares to decline.

Further, some of our subsidiaries and associates have incurred losses for the past few fiscal years. To continue their operations, they may need financial support in the form of debt or equity from their shareholders, including our Company. There is no certainty that they will become profitable, or be able to raise adequate capital to continue their operations or meet their obligations. If these subsidiaries or associates do not become profitable, and are not able to raise capital either through debt or equity, their operations may be affected.

We also carry forward our income tax losses incurred in past fiscal years, to be offset against future income tax liabilities. Setting off such tax losses against future taxable income is subject to compliance with various conditions specified under Income tax laws. Such conditions include restrictions in change of shareholding of the Company above a certain threshold. We cannot assure you that we will be able to comply with such conditions or exemptions to achieve a set off of all tax losses which are carried forward. We are unable to make any assurance that we will be able to fully utilize the tax loss carry forward in a timely manner which would result in such unutilized tax loss carry forwards to expire.

11. We participate in markets that are competitive with continuously evolving technology and consumer needs, and if we do not compete effectively with established companies and new market entrants, our business, results of operations, cash flows and financial condition could be adversely affected.

We believe the principal competitive factors in our market include industry expertise, platform and product features and functionality, ability to build new technology and keep pace with innovation, scalability, extensibility, product pricing, security and reliability, brand recall and recognition, agility, and speed to market. We compete in markets characterized by vigorous competition, changing technology, changing merchant and consumer needs, evolving industry standards, and frequent introductions of new products and services. We expect competition to increase in the future as established and emerging companies continue to enter the markets we serve or attempt to address the problems that our platforms address. Moreover, as we expand the scope of our platforms, we may face additional competition. We compete with domestic and international companies and some of these companies have greater financial resources and substantially larger bases of consumers than we do, which may provide them with significant competitive advantages. These companies may devote greater resources to the development, promotion, and sale of services, and they may offer lower prices or more effectively introduce their own innovative services that adversely impact our growth. Mergers and acquisitions by these companies may lead to even larger competitors with more resources. We also expect new entrants to offer competitive products and services. Certain merchants have longstanding exclusive, or nearly exclusive, relationships with our competitors to accept payment cards and other services that we offer. These relationships may make it difficult or cost-prohibitive for us to conduct material amounts of business with them. On the other hand, our merchant agreements are non-exclusive, therefore allowing merchants to move to similar services offered by our competitors. Competing services tied to established brands may engender greater confidence in the safety and efficacy of their services. If we are unable to differentiate ourselves from and successfully compete with our competitors, our business will be materially and adversely affected.

We may also face pricing pressures from competitors. Some potential competitors are able to offer lower prices to merchants for similar products and services by cross-subsidizing their payments services through other services they offer. Such competition may result in the need for us to alter the pricing we offer to our merchants and could reduce our revenue. In addition, as we grow, merchants may demand more customized and favourable pricing from us, and competitive pressures may require us to agree to such pricing, further reducing our revenue. Our competitors are continuously investing to innovate, grow their businesses and enhance consumer reach and engagement, and can outcompete us in any of these areas. They may also be able to obtain certain licenses that we are unable to obtain, which may hinder our ability to offer certain services or access certain pools of liquidity that are the subject of such licenses. Increased investments made, lower prices or innovative services offered by our competitors may require us to divert significant managerial, financial and human resources in order to remain competitive, and ultimately may reduce our market share and negatively impact the revenues growth and profitability of our business.

If we are not able to compete effectively, our ability to retain consumers, merchants and financial institutional partners we may have to change our current business model for our business to cope with such changes and we cannot guarantee that our current business model will remain the same going forward. Further the level of economic activity and consumer engagement on our platforms may decrease and our market share and profitability may be negatively affected, which could materially and adversely affect our business, financial condition, cash flows, results of operations and prospects, as well as our reputation and brand.

12. ***We rely on third-parties for certain aspects of our business, which creates additional risk, and the failure of third-parties to comply with legal or regulatory requirements or to provide various products and services that are important to our operations could have an adverse effect on our business, results of operations, financial condition, and prospects.***

We depend on third-party service providers for certain services, such as financial, technology, and other services to support our operations, including credit ratings and reporting, cloud-based data storage, data centers and other IT solutions, and payment processing. We also outsource a portion of our services, such as, customer care services, deployment of QR codes and sale of hardware devices, among others. Our success depends on our ability to manage various service providers to provide reliable and satisfactory services to consumers on our platform. Our operations and business could be adversely affected if our outsourcing service providers face any operational or system interruptions. Our collaboration with various partners is critical for us to address the massive digital payment, digital finance and digital daily life services opportunities for consumers and businesses. To the extent we are unable to effectively manage these partners to provide satisfactory services to our consumers to address their needs on commercially acceptable terms, or at all, or if we fail to retain existing or attract new quality partners to our platform, our ability to retain, attract or engage our consumers may be severely limited, which may have a material and adverse effect on our business, financial condition, cash flows and results of operations.

We are dependent on the ability of our products and services to integrate with a variety of third-party operating systems, as well as web browsers that we do not control. Any changes in these third-party systems that degrade the functionality of our products and services, impose additional costs or requirements on us, or give preferential treatment to competitive services, including their own services, could materially and adversely affect usage of our products and services. In addition, we rely on app marketplaces to drive downloads of our mobile app. App marketplaces regularly make changes to their marketplaces, and those changes may make access to our services more difficult. In the event that it is difficult for our merchants to access and use our products and services, our business may be materially and adversely affected.

Most of our agreements with third-party service providers are terminable by the service provider at a short or no notice, and if our current third-party service providers were to terminate their agreements with us or otherwise stop providing services to us on acceptable terms, we may be unable to procure service from alternative service providers in a timely and efficient manner and on acceptable terms or at all. Furthermore, some of our service agreements are fixed-term contracts or have short duration ranging from one year to three years and are not subject to automatic renewal. If any service provider fails to provide the services we require, fails to meet contractual requirements (including compliance with applicable laws and regulations), fails to maintain adequate data privacy controls and electronic security systems, or suffers a cyber-attack or other security breach, we could be subject to regulatory enforcement actions, claims from third parties, including our consumers, and suffer economic and reputational harm that could have an adverse effect on our business. Further, we may incur significant costs to resolve any such disruptions in service, which could adversely affect our business.

13. ***Acquisitions, strategic investments, entries into new businesses, and divestitures could disrupt our business, divert our management's attention, result in additional dilution to our shareholders, and harm our business.***

We may in the future seek to acquire or invest in businesses, apps, or technologies that we believe could complement or expand our products and services, enhance our technical capabilities, or otherwise offer growth opportunities. We may be unable to find suitable acquisition candidates and to complete acquisitions on favourable terms, if at all, in the future. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals and any acquisitions we complete could be viewed negatively by customers or investors. Moreover, an acquisition, investment or business relationship may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management from their primary responsibilities, subjecting us to additional liabilities, increasing our expenses and adversely impacting our business, results of operations, cash flows and financial condition. Moreover, we may be exposed to unknown liabilities and the anticipated benefits of any acquisition, investment or business relationship may not be realized, if, for example, we fail to successfully integrate such acquisitions, or the technologies associated with such acquisitions, into our company. We also may not achieve the anticipated benefits from the acquired businesses due to a number of factors, including difficulties resulting from the integration of technologies, IT systems, accounting systems, culture or personnel; diversion of management's attention; litigation; use of resources; or other disruption of our operations. Regulatory constraints, particularly competition regulations, may also affect the extent to which we can maximize the value of our acquisitions or investments. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt. In addition, we may spend time and money on acquisitions or investments that do not increase our revenue. If an acquired business fails to meet our expectations, our business may be materially and adversely affected.

14. We are subject to chargeback and refund liability risk when our merchants refuse to or are unable to reimburse chargebacks and refunds resolved in favor of their customers. Any increase in chargebacks and refunds not paid by our merchants may adversely affect our business, financial condition, cash flows or results of operations.

We are currently, and will continue to be, exposed to certain risks associated with chargebacks and refunds in connection with payment card fraud or relating to the products or services provided by our merchants. In the event that a billing dispute between a consumer and a merchant is not resolved in favor of the merchant, including in situations in which the merchant is engaged in fraud, the transaction is typically "charged back" to the merchant and the purchase price is credited or otherwise refunded to the consumer. In certain circumstances where we are unable to collect chargeback or refunds from the merchant's account, or if the merchant refuses to or is unable to reimburse us for a chargeback or refunds due to closure, bankruptcy, or other reasons, we may bear the loss for the amounts paid to the consumer. The risk of chargebacks is typically greater with merchants that promise future delivery of products and services rather than delivering products or rendering services at the time of payment, and any customer disputes linked to rendering of such services from our merchants may adversely impact our ability to retain and attract our customers.

In addition, our exposure to these potential losses from chargebacks increases to the extent that we have provided working capital solutions to such merchants, as the full amount of the payment is provided up front rather than in installments. While most of our merchant agreements establish that the chargeback and refund liability risk is with the merchant, and would permit us to collect and retain reserves, we may not be able to collect and maintain reserves from our merchants to cover these potential losses, including in the case of customer and merchant disputes. If we are unable to maintain our losses from chargebacks at acceptable levels, the payment network providers could fine us, increase our transaction fees, or terminate our ability to process payment cards. Any increase in our transaction fees or liability for incorrect charges could damage our business, and if we were unable to accept payment cards, our business would be negatively affected. Any increase in chargebacks not paid by our merchants could have a material adverse effect on our business, financial condition, cash flows or results of operations.

15. We have experienced negative cash flows in prior years.

We have experienced negative cash flows from operations in the recent past. Our consolidated cash flow for FY 2019, FY 2020 and FY 2021 are set forth in the table below.

	FY		
	2021	**2020**	**2019**
		(₹ in millions)	
Net cash (outflow) from operating activities	(20,825)	(23,766)	(44,759)
Net cash inflow/(outflow) from investing activities	19,298	(19,963)	19,110
Net cash inflow/(outflow) from financing activities	(2,221)	51,599	21,105

We had negative cash flows from operating activities for FY 2019, FY 2020 and FY 2021 primarily due to operating losses and on account of additional working capital requirement. Any negative cash flows in the future could adversely affect our results of operations and financial condition. For further details, see "***Management's Discussion and Analysis of our Financial Condition and Results of Operations – Cash Flows***" on page 402.

16. ***We rely on mobile operating systems and application marketplaces to make the Paytm app available to participants that utilize our platforms, and if we do not effectively operate with or receive favourable placements within such application marketplaces and maintain high consumer reviews, our usage or brand recognition could decline and our business, financial results, cash flows and results of operations could be adversely affected.***

We depend, in large part, on search engines, social media platforms, digital app stores, content-based digital marketing and other online sources for traffic to our platforms. Our ability to maintain and increase the number of consumers directed to our platforms is not entirely within our control. Search engines, social media platforms and other online sources often revise their algorithms and introduce new advertising services based on data feedback. If one or more of the search engines or other online sources on which we rely for traffic to our platforms were to modify its general algorithm for how it displays our advertisements or keyword search results, resulting in fewer consumers clicking through to our platforms, our business or results of operations may suffer. In addition, if our online display advertisements are no longer able to reach certain consumers due to consumers' use of ad-blocking software, our business or results of operations could suffer. In the past, we have been subject to warnings and actions, and it may happen again in the future which could have a material adverse impact on our operations and reputation.

As new mobile devices and mobile platforms are released, there is no guarantee that certain mobile devices will continue to support our platforms or effectively roll out updates to our applications. Additionally, in order to deliver high-quality applications, we need to ensure that our platforms are designed to work effectively with a range of mobile technologies, systems, networks, and standards. We may not be successful in developing or maintaining relationships with key participants in the mobile industry that enhance consumers' experience. If participants that utilize our platforms encounter any difficulty accessing or using our applications on their mobile devices or if we are unable to adapt to changes in popular mobile operating systems, we expect that our consumer growth and engagement to be adversely affected.

17. ***Our profitability could be negatively affected if our payment processing charges payable to financial institutions and card networks increase significantly, and we are not able to pass on these higher processing charges to our merchants or consumers.***

We are required to pay payment processing charges to financial institutions and card networks for processing transactions on our platform. These costs depend on (i) the category of merchant, and (ii) payment instrument used by the consumer. Other factors sometimes may include (i) size and number of transactions processed on our platforms, and (ii) the network through which the transaction is routed. From time to time, financial institutions have increased, and may in the future increase charges levied for processing transactions on our platform. These charges vary for each payment instrument and we may not be able to pass on these costs to our merchants. Accordingly, any increase or decrease in payment gateway charges could make our pricing less competitive, lead us to change our pricing model, or adversely affect our margins. In addition, financial institutions may not agree to renew our agreements with them on commercially reasonable terms or at all, which could also adversely impact our financial condition, cash flows and results of operations.

Our business depends on our ability to accept credit and debit cards, which ability is provided by the payment card networks. As a result, we must rely on banks and acquiring processors to process transactions on our behalf. These banks and acquiring processors may fail or refuse to process transactions adequately, may breach their agreements with us, or may refuse to renew these agreements on commercially reasonable terms. They might also take actions that degrade the functionality of our products and services, impose additional costs or requirements on us, or give preferential treatment to competitive services, including their own services. If we are unsuccessful in establishing or maintaining mutually beneficial relationships with these payment card networks, banks, and acquiring processors, our business may be harmed.

We are required to pay interchange fees and assessments to the payment card networks, as well as fees to our acquiring processors, to process transactions. From time to time, payment card networks have increased, and may increase in the future, the interchange fees and assessments that they charge for each transaction processed using their networks. In addition, our acquiring processors may refuse to renew our agreements with them on commercially reasonable terms. Interchange fees or assessments are also subject to change from time to time due to government regulation. Because we generally charge our merchants a flat rate for our payments services, rather than passing through interchange fees and assessments to our merchants directly, any increase or decrease in interchange fees or assessments or in the fees we pay to our acquiring processors could adversely affect our margins, make our pricing look less competitive or lead us to change our pricing model.

We could be, and in the past have been, subject to penalties from payment card networks if we fail to detect that merchants are engaging in activities that are illegal, contrary to the payment card network operating rules, or considered "high risk." We must either prevent high-risk merchants from using our products and services or register such merchants with the payment card networks and conduct additional monitoring with respect to such merchants. Although the amount of these penalties has not been material to date, any additional penalties in the future could become material and could result in termination of our ability to accept payment cards or could require changes in our process for registering new merchants. This could materially and adversely affect our business.

18. We may be adversely affected by the evolving laws and regulation governing our business and the introduction of any new laws and regulation which may become applicable to our business.

The laws and regulations governing our businesses are evolving and may be amended, supplemented or changed at any time. As a result, we may be required to seek for and follow additional procedures, modify or adjust certain activities, restructure our ownership structure, obtain new and additional licenses and incur additional expenses to comply with such laws and regulations, which could adversely affect our future development and business.

New laws and regulations may be enacted from time to time to require additional licenses and approvals other than those we currently have. Recently, the RBI has issued the Guidelines on Regulation of Payment Aggregators and Payment Gateways, 2020, as amended ("**Payment Aggregators Guidelines**"), requiring existing providers of payment aggregator and gateway services to apply for an authorization from the RBI on or before December 31, 2021. Further, these guidelines stipulate that a single entity cannot continue to provide an e-commerce marketplace along with payment aggregator services and that such payment aggregator services must be separated from the e-commerce marketplace business. For details see, "***Key Regulations and Policies in India***" on page 197. In order to comply with these guidelines, we have incorporated our Subsidiary, Paytm Payments Services Limited which has applied to the RBI for the relevant authorization on January 8, 2021 and we will transfer our payment aggregator services business to Paytm Payments Services Limited post receipt of such authorization. We cannot assure you that we will obtain the authorization in a timely manner or at all and that we will be successful in complying with the requirements and policies prescribed under the Payment Aggregators Guidelines. Further, new regulations may impose restrictions or conditions on our existing activities. For instance, NPCI issued a circular dated November 5, 2020, which restricts each third party application from initiating UPI transactions in excess of 30% of the total volume of UPI transactions processed during the preceding three months, on a rolling basis. Although, Paytm Payments Bank is not a third-party application provider, we cannot assure you that NPCI will not impose any such restrictions and requirements on the services and operations of banks in the future which may adversely impact their business and operations.

In order to comply with evolving laws and regulations, we may need to devote significant resources and efforts, including restructuring affected businesses, changing our business practices and adjusting our activities, which may materially and adversely affect our business, growth prospects and reputation. The amendment to the SEBI (Investment Advisors) Regulations, 2013 which was to be implemented from March 31, 2021, required, amongst others, stipulations, client level segregation of advisory and execution activities of an investment advisor. In summary, the implementation of these new regulations may have an adverse impact on the operation of the RIAs like Paytm Money, who typically service small retail investors. Accordingly, Paytm Money decided to temporarily suspend advisory services with effect from March 31, 2021 in order to comply with such additional requirements and the same was informed to SEBI vide letter dated February 19, 2021 along with the detail plan for migration of advisory clients to the execution services. As on the date of this Draft Red Herring Prospectus, we have not received any investor grievance in this regard. However, we are not certain if and when the discontinued advisory services will be resumed. Additionally, Paytm First Games Private Limited ("**Paytm First Games**") offers certain skill based real money games on its platforms, in accordance with the applicable laws of the respective states where such games are offered, as the legality of online betting and gaming in India is determined under central as well as state law. The state legislations in relation to gambling and other applicable laws along with the judicial pronouncements by the respective high courts in this regard are evolving and accordingly there continues to be uncertainty in the regulatory framework applicable to certain states and differing approaches from one state to the other, which could adversely affect the future development and operations of Paytm First Games.

We cannot assure you that the relevant regulatory authorities will not introduce further new laws and regulations in the future which may require us to restructure our business, obtain new licenses, comply with additional requirements and incur additional ongoing compliance costs which may adversely affect our future development, business and results of operations.

19. ***Failure to comply with the existing laws and regulations applicable to our business could subject our Company, or our subsidiaries or our associates or our shareholders, as applicable, to enforcement actions and penalties and otherwise harm our business.***

Our business is subject to regulation by various statutory and regulatory authorities in India, including the MCA, the RBI, Income tax authorities, SEBI and the IRDAI, and other authorities responsible for enforcing compliance with privacy and data protection related laws, foreign investment laws, intellectual property laws, consumer protection laws, anti-corruption and anti-bribery laws, direct and indirect tax laws. Any failure or alleged failure to comply with the applicable laws, regulations or requirements could subject us, or our subsidiaries, as applicable, to inspection, audit and enforcement actions by the relevant authority; suspension and revocation of the relevant license or approval; civil penalties including payment of damages to the aggrieved party; criminal penalties including payment of fines and imprisonment of concerned directors or employees; and mandatory conciliation and mediation with the aggrieved party or may also lead to an inability to carry forward our tax losses.

These actions or any failure to prevail in a possible civil or criminal litigation, may adversely affect our business, results of operations, financial condition, cash flows and reputation. In addition, responding to any action or litigation may result in a diversion of our management's attention and resources and an increase in professional fees and compliance costs.

The premises, books of accounts, documents and records of certain of our subsidiaries are subject to inspection by the RBI, SEBI and IRDAI, as applicable, under the relevant laws and regulations. Consequently, the relevant authority may identify instances of non-compliance and deficiencies in our operations and issue warning letters, show cause notices or penalties for violations. For instance, pursuant to an inspection conducted by SEBI in February 2020 of the books and records of our Subsidiary, Paytm Money, SEBI observed certain violations of the relevant laws and regulations by Paytm Money in relation to the uploading of KYC data of clients and providing investment advice to clients and issued a letter warning Paytm Money to take corrective steps. Paytm Money has submitted its response dated July 9, 2020, intimating SEBI of the corrective measures undertaken. The premises and records maintained by our Company may also be subject to inspection and/or audit by the RBI and the NPCI in relation to the transactions undertaken on our platforms through the payment channels operated by Paytm Payments Bank, such as Paytm wallet, net-banking and UPI. Additionally, our subsidiaries and associates are required to make several filings on a quarterly, half-yearly and annual basis or on the occurrence of prescribed events with the RBI, SEBI, IRDAI and other relevant authorities pursuant to the applicable laws and regulations governing them. We cannot assure you that all the required filling will be made in a timely manner or at all in the future and that the relevant authorities will not impose any penalties and compounding proceedings on our subsidiaries, associates or our shareholders in this regard.

Moreover, we are exposed to the risk of varying and evolving interpretation of complex laws and regulations governing our business in India. Certain of these laws and regulations governing our business are relatively new and evolving, and their interpretation and enforcement may involve uncertainties. For instance, Indian Insurance Companies (Foreign Investment) Amendment Rules, 2019, notified on September 2, 2019 read with the IRDAI (Insurance Intermediaries) (Amendment) Regulations, 2019, notified on October 30, 2019, inter alia increased the FDI limits in insurance intermediaries (which includes insurance brokers) from 49% to 100%. Accordingly, our Company (being a Foreign owned and controlled company) made a 100% investment in our Subsidiary, Paytm Insurance Broking between November, 2019 and February, 2020. However, our Form DI filing in this regard was rejected by RBI and we were directed to comply with the amended Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (which were notified on April 17, 2020 to reflect the increase in FDI limits) and to seek a post-facto Government approval for our investments which were made prior to April 17, 2020. We have submitted an application for seeking post facto approval before the relevant authority and are responding to incremental queries. We cannot assure you that we will not be subject to any penalties or that we will receive the post-facto approval. Further, our Company has also applied to the Authorized Dealer and RBI seeking appropriate approvals in relation to non- settlement of foreign currency payables and non-realization of foreign currency receivables which have been due for longer than the prescribed period in accordance with the applicable directions issued by the RBI. For details, see **"*- Our Statutory Auditors have included certain emphasis of matters in the auditors' reports on our audited consolidated financial statements for the last three fiscal years and in the examination report on the Restated Financial Statements. Further, the auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO")*"** on page 51.

Additionally, our Company and certain shareholders are subject to disclosure/ filing requirements under the Companies Act, 2013 and the rules made thereunder, which may have been delayed. Such delay in making the requisite disclosures/ filings could attract non-material monetary penalties under the Companies Act, 2013.

20. Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals could adversely affect our business and results of operations.

Our operations in India are subject to extensive government regulation and we, along with our subsidiaries and associates, are required to obtain and maintain a number of statutory and regulatory licenses and approvals. These licenses and approvals include, amongst others, licenses to operate as a payments bank and issue prepaid payment instruments issued by the RBI, each obtained by Paytm Payments Bank, registrations to act as a stock broker and an investment advisor issued by SEBI, each obtained by Paytm Money and registration to act as a direct insurance broker issued by IRDAI obtained by Paytm Insurance Broking. For a detailed description of our licenses and approvals, see "***Government and Other Approvals***" on page 414. While we have obtained the necessary licenses and approvals required for our operations, certain approvals for which we have submitted applications are currently pending. For instance, the applications dated December 15, 2020 and November 5, 2020 made by Paytm Money and Paytm Payments Bank, respectively, to obtain a certificate of registration to act as a corporate agent from the IRDAI are currently pending. In addition, we may apply for additional licenses and approvals, including the renewal of certain approvals which may expire from time to time, such as the registration to act as a direct insurance broker which expires in 2023 held by Paytm Insurance Broking. If we or our Group Company, Paytm Payments Bank as applicable, are unable to obtain, maintain or renew all necessary licenses and approvals required for our continued operations or for continued provision of the services being offered in collaboration with Paytm Payments Bank, this may have consequences, on operations that may be limited or suspended to that extent, which may have an adverse impact on our business and results of operations. Further, our activities, future development and expansion into a variety of new fields could also raise a number of new regulatory issues and licensing requirements. In Fiscal 2021, our Subsidiary, Paytm Entertainment Limited ("***Paytm Entertainment***") entered into an exceptional transaction of providing a one-time short term loan to Paytm First Games. Due to this, Paytm Entertainment met the principal business test for determination of identification as a non-banking financial company. Since Paytm Entertainment does not intend to give any further loans to Paytm First Games or other entities, it has requested RBI to grant an exemption from being classified as an NBFC. As of the date of this Draft Red Herring Prospectus, the said loan has been repaid by Paytm First Games to Paytm Entertainment and further, Paytm Entertainment has no loans outstanding to any entity. We cannot assure you that we will be granted an exemption and that Paytm Entertainment will not be required to obtain registration as an NBFC under the applicable laws.

Some of the licenses and approvals that have been issued to our Company or our subsidiaries or associates contain certain conditions and restrictions. For instance, the license to operate as a payments bank issued by the RBI requires Paytm Payments Bank to comply with certain terms and conditions, and in the event that it is unable to comply with any or all of these terms and conditions, or seek waivers or extensions of time for complying with these terms and conditions, the RBI may place stringent restrictions on it which may impact our operations to the extent of our offering services in partnership with Paytm Payments Bank. If we or our subsidiaries or associates fail or allegedly fail to satisfy the conditions or comply with the restrictions imposed by the relevant licenses and approvals, or the restrictions imposed by any statutory or regulatory requirements, we or our subsidiaries or associates may become subject to regulatory enforcement or be subject to fines, penalties or additional costs or revocation of these licenses and approvals. This may result in the interruption of all or some of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

21. Our business depends on a strong and trusted brand, and any failure to maintain, protect, and enhance our brand would hurt our business.

We have developed a strong and trusted brand that has contributed significantly to the success of our business. We enable participants in commercial and financial activities, including consumers, merchants and financial institutional partners to build and strengthen trust among each other. In the process, we have become a platform that is trusted by consumers, businesses and partners. Maintaining, protecting, enhancing and promoting the trust in us, our platforms and our brand is critical to expanding the base of consumers, merchants and financial institutional partners on our platforms, as well as increasing their engagement with our products and services. Any negative publicity about our industry or us, the quality and reliability of our products and services, our risk management processes, changes to services, our ability to effectively manage and resolve merchant and consumer complaints, our privacy and security practices, litigation, regulatory activity, and the experience of merchants and buyers with our products and services, could adversely affect our reputation and the confidence in and use of our products and services.

In the past, we have been involved in disputes, filed oppositions before relevant authorities, entered into a settlement agreement in relation to the use and/or registration of our trademarks in India and certain other jurisdictions and we cannot assure you that we will be able to use and/or register our trademarks in the future and will not be involved in any disputes or proceedings or settlements in this regard.

Many factors could undermine or damage the trust in us, our platforms or our brand, including, failure by us or our partners to satisfy expectations of service and quality; inadequate protection of sensitive information; compliance failures and claims; employee misconduct; and misconduct by our partners, service providers, or other counterparties. Under the agreements with our merchants, the merchant is responsible for quality, quantity, timely delivery and price of the services offered by it and is further responsible for related customer support and dispute resolution services. However, instances of unsatisfactory services provided by one or more merchants may damage the trust that our consumers have in our brand and our platforms. We may receive negative reviews from consumers and become subject to legal notice and/or action, which may adversely affect our reputation and the confidence in and use of our products and services. If we do not successfully maintain the trust in us, our business, financial condition, results of operations, cash flows and prospects would be materially and adversely affected.

22. External factors may adversely affect our revenue from lending products and our success in relation to lending also depends on our ability to innovate new products.

Through our platforms, our financial institution partners are able to extend availability of credit to consumers and merchants, including small businesses to meet their credit needs. Factors including, among others, the slowdown and structural reform of the Indian economy, adverse development in general economic conditions, an increase in unemployment rates among our consumers, health pandemics or epidemics, adverse weather conditions and natural disasters could result in the deterioration of credit profiles and creditworthiness of our consumers and merchants. Some consumers and merchants generally have no or limited credit history, fewer financial resources or borrowing capacity than large entities, and may be more vulnerable to economic downturns. In addition, small businesses frequently have negligible market shares and often need substantial additional capital to expand or compete and may experience substantial volatility in results of operations, any of which may impair a borrower's ability to service a loan. If general economic conditions negatively impact India or the specific markets in which we operate and consumers or small businesses are adversely affected by adverse business conditions, the credit balance enabled through our platforms may decrease due to lower demand by consumers and small businesses or some existing borrowers' inability to repay, thereby negatively impacting the collection fees we charge our partner financial institutions that are linked to such business volume. Moreover, an economic downturn could reduce our risk appetite and that of our financial institutions partners and. If any of the forgoing materialized, it would affect their collaboration with us, and as a result, adversely affect our business, financial condition, cash flows and results of operations.

Our success also depends on our ability to scale up the insurance distribution business which depends on our ability to leverage customer insights, co create products that identify and anticipate consumer and business needs, with partner insurers and deliver a seamless experience to our customer base. We operate a technology driven insurance distribution platform which incurs substantial upfront costs on building the technology assets which may have a longer gestation period to break even depending upon speed of scaling up. We leverage insights to identify merchant and consumer needs to be addressed by innovative insurance products. However, the complex nature of development and approval of insurance products may constrain our ability to co-design new products with the insurers that can sufficiently address the customer and merchant needs we have identified or are suitable for distribution on our platforms. In addition, changes in insurance regulations may complicate, delay or increase the costs of innovating, marketing and distribution of new insurance products on our platforms which could have an adverse impact on our financial condition, cash flows and results of operations. Online distribution of insurance products is an evolving business model that is sensitive to data protection and data privacy laws. Changes in the regulatory environment may curtail our ability of seamless distribution of the insurance products. Regulatory focus on market conduct, mis-selling, customer identification and prudential aspects may lead to a greater compliance risk and slower growth in volume may result in lower distribution income.

23. Unfavourable media coverage could harm our brand, business, financial condition, cash flows and results of operations.

Unfavorable publicity could adversely affect our reputation. Such negative publicity could also harm the size of our network and the engagement and loyalty of merchants, consumers and other participants that utilize our platform, which could adversely affect our business, cash flows, financial condition, and results of operations.

As our platforms continues to scale and public awareness of our brand increases, any future issues that draw media coverage could have an amplified negative effect on our reputation and brand. In addition, negative publicity related to key brands we have partnered or by any influencers may damage our reputation, even if the publicity is not directly related to us. Any negative publicity that we may receive could diminish confidence in, and the use of, our platforms and may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our brand. As a result, any impairment or damage to our brand, including as a result of these or other factors, could adversely affect our business, reputation, cash flows, results of operations and financial condition. Many social media platforms publish their subscriber's or participant's content, often without filters on accuracy. The dissemination of inaccurate information regarding our business, brand and services online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction.

24. Any privacy or data security breach, cyber-attacks or internal misconducts could damage our reputation and brand and substantially harm our business and any actual or perceived failure by us to comply with laws or regulations relating to privacy or the protection or transfer of data relating to individuals or any other contractual obligations relating to privacy or the protection or transfer of data relating to individuals, could adversely affect our business.

As a technology-based platform, our business generates and processes a large quantity of personal, transaction, billing, behavioral and demographic data. We face risks inherent in handling and protecting large volumes of data, including protecting the data hosted in our system, detecting and prohibiting unauthorized data share and transfer, preventing attacks on our system by outside parties or fraudulent behavior or improper use by our employees, and maintaining and updating our database. Any system failure, security breach or third-party attacks or attempts to illegally obtain the data that result in any actual or perceived release of consumer data could damage our reputation and brand, deter current and potential consumers from using our products and services, damage our business, and expose us to potential legal liability.

The techniques used to obtain unauthorized, improper, or illegal access to our systems, our or our consumers' data, or to disable or degrade service or sabotage systems, are constantly evolving, may be difficult to detect quickly, and often are not recognized until after they have been launched against a target. We may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative or remedial measures. Unauthorized parties may attempt to gain access to our systems or facilities through various means, including, among others, hacking into our or our partners' or consumers' systems or facilities, or attempting to fraudulently induce our employees, partners, consumers or others into disclosing usernames, passwords, or other sensitive information, which may in turn be used to access our information technology systems and gain access to our or our consumers' data or other confidential, proprietary, or sensitive information. We are mandated under law to undertake audit of reasonable security practices and procedures for handling of sensitive personal data or information, and in the past the internal auditors have highlighted certain risks, inter alia, pertaining to encryption of customers personal information and retention period of personal information. Our Company has addressed and continues to address such risks based on recommendations in such internal audit reports. There is no assurance that in future similar or other risks will not be highlighted in internal audit reports and may lead to incurring of costs for addressing such risks, diversion of management's attention and regulatory actions.

We are also required to comply with several standards including the Payment Card Industry Data Security Standards and Payment Application Data Security Standards, as applicable to the transactions undertaken on our platforms. Our failure, or the failure by our third party providers or merchant partners on our platforms, to comply with applicable laws or regulations or standards or any other contractual obligations relating to privacy, data protection, or information security, may cause a leak of consumers' data, adversely affect our reputation and lead to termination of our agreements with the affected merchants. Under our agreements with our merchants, our merchants and we are required to ensure proper encryption and security measures at our respective websites, mobile applications and billing systems to prevent any hacking into information pertaining to transactions. We are also required to protect and keep confidential all information related to the debit cards, net banking facilities or other payment data of consumers who are carrying out transactions with such merchants through our platforms. We cannot assure you that our merchants or we will be able to prevent all attempts of hacking and/or unauthorized disclosures of customer data. Any compromise of security or cyber-attack that results in unauthorized access to, or use or release of personally identifiable information or other data relating to consumers, or other individuals, or the perception that any of the foregoing types of failure or compromise has occurred, could damage our reputation, discourage new and existing consumers from using our platform, or result in fines, investigations, or proceedings by governmental agencies and private claims and litigation, any of which could adversely affect our business, financial condition, cash flows and results of operations. Even if not subject to legal challenges, the perception of privacy concerns, whether or not valid, may harm our reputation and brand and adversely affect our business, its financial condition, and results of operations.

25. Regulatory, legislative or self-regulatory/standard developments regarding privacy and data security matters could adversely affect our ability to conduct our business.

Numerous domestic and international laws and regulations address privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws, rules, and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. Additionally, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could greatly increase the cost of providing our platforms, require changes to our operations, or even prevent us from providing our platforms in jurisdictions in which we currently operate and in which we may operate in the future.

As part of our operations, we are required to comply with the Information Technology Act, 2000 and the rules thereof, which provides for civil and criminal liability including compensation to persons affected, penalties and imprisonment for various cyber related offenses, including unauthorized disclosure of confidential information and failure to protect sensitive personal data. India has already implemented certain privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and or Information) Rules, 2011, which impose limitations and restrictions on the collection, use, disclosure and transfer of personal information.

Additionally, the Government of India, in December 2019, published the Personal Data Protection Bill, 2019, which provides for a framework for protection of personal data and use of non-personal data and seeks to, among others, lay down norms for cross-border transfer of personal data, define the scope of the definition of personal data and non-personal data, establishment of a data protection authority and ensure the accountability of entities processing personal data. For further details, see "***Key Regulations and Policies***" on page 197. The introduction of new information technology legislation may require us to modify our existing systems, or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses and adversely affect our financial condition. Our failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Several jurisdictions have implemented new data protection regulations and others are considering imposing additional restrictions or regulations. We expect data protections regulations to continue to increase both in number, complexity and in the level of stringency. The entry into force of the General Data Protection Regulation (EU) 2016/679 ("**GDPR**"), in the European Union prompted various countries to begin processes to reform their data protection regimes. In many cases, these regulations have strict measures regulating both the transfer of data externally, and also the storage and transfer of data internally among our employees in the course of their work and among our subsidiaries and affiliates. Moreover, these regulations may have conflicting and/or inconsistent requirements, and compliance with one data protection regime does not necessarily entail compliance with another data protection regime, and compliance with one data protection regime could potentially create conflicts in compliance with another data protection regime. In particular, we may transfer data across jurisdictions in the ordinary course of our operations, and we may not be able to ensure compliance with all applicable data protection regulations at all times. Any failure to comply with applicable data protection regimes could subject us to significant penalties and negative publicity, which could have a material adverse effect on our business, financial condition, reputation before our merchants and providers, and results of operations.

26. Payments banks in India, including our Group Company Paytm Payments Bank, are subject to regulatory requirements and prudential norms and its inability to comply with applicable laws, regulations and norms may have an adverse effect on some of our businesses, financial condition and results of operations.

Payments banks in India, including our Group Company, Paytm Payments Bank, are subject to various requirements and restrictions in relation to their functioning, corporate ownership and governance which are prescribed under the applicable acts such as the Banking Regulation Act along with applicable regulations prescribed by the RBI from time to time. These include, but are not limited to, maintaining a minimum net worth of ₹ 1,000 million at all times; ensuring its ownership and control by Indian residents in accordance with the Foreign Exchange Management Act, 1999, read with rules and regulations thereunder ("**FEMA"**); obtaining prior approval from the RBI for any change in its shareholding by way of fresh issue or transfer of shares, directly or indirectly, to a particular investor, acting alone or in concert with any other person, to the extent of 5% or more of its paid-up share capital or 5% or more of its voting rights; limiting exposure in terms of loans and advances; prudential norms specified in respect of market risk and operational risk, maintenance of regulatory ratios including cash reserve ratio on its outside demand and time liabilities and statutory liquidity ratio; periodic disclosure requirements (including in presentation of financial information and financial statements); fraud classification and reporting; and cyber security compliance.

In addition, the Payments Bank Licensing Guidelines, Payments Bank Operating Guidelines and other applicable regulations along with the payments bank license issued by the RBI require Paytm Payments Bank to comply with certain conditions in relation to its operations including but not limited to, restricting the amount of demand deposits, i.e., wallet, current deposits and savings bank deposits which may be maintained by any customer end of day up to Rs. 0.2 million and requiring authorization from RBI for its branches. For details, see "***Key Regulations and Policies - Banking and wallet business and related activities***" on page 198.

In case of any failure to comply with the prescribed conditions, applicable directives, reporting requirements, requirements to meet the prescribed prudential norms or any other ongoing regulations or requirements from RBI or other regulators, the RBI may charge penalties, penalize Paytm Payments Bank's management, restrict Paytm Payments Bank's banking activities or otherwise enforce increased scrutiny and control over Paytm Payments Bank's banking operations, including by way of withholding approvals, or issuing conditional approvals in respect of any proposed actions for which Paytm Payments Bank may seek approval in the future, or even cancel Paytm Payments Bank's banking license.

As a payments bank, Paytm Payments Bank is subject to periodic on-site inspections by the RBI in relation to its compliance with licensing conditions and/ or operating guidelines and matters relating to its banking operations. During such inspections, Paytm Payments Bank may be found to be in violation of the licensing conditions or may subsequently be unable to comply with the observations made by RBI and accordingly it could be subject to penalties and restrictions which may be imposed by the RBI. Imposition of any penalty or adverse findings by the RBI during the ongoing or any future inspections may result in a temporary halt on provision of Paytm Payments Bank's products and services, resulting in service outages for us, which may have an adverse effect on our business, operations, cash flows and financial condition to that extent.

To ensure compliance with the regulatory framework applicable to payments banks, Paytm Payments Bank may need to allocate additional resources, which may increase the regulatory compliance costs and divert management attention. The inability to comply with laws and regulations applicable to a payments bank may have an adverse effect on Paytm Payments Bank's business, cash flows, financial condition and results of operations which may also have a resultant impact on the services we provide in partnership with Paytm Payments Bank.

27. Our Statutory Auditors have included certain emphasis of matters in the auditors' reports on our audited consolidated financial statements for the last three fiscal years and in the examination report on the Restated Financial Statements. Further, the auditors have included certain observations in their reporting under Companies (Auditors Report) Order, 2016 ("CARO")

The examination report on the Restated Financial Statements and the audit reports on the audited consolidated financial statements for FY 2019, FY 2020 and FY 2021 contain the following emphasis of matters:

- In FY 2021, the Statutory Auditors have drawn attention to the fact that one of our Subsidiary's financial assets as of March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the financial year. As per the press release dated April 8, 1999 issued by RBI, the Subsidiary of the Company fulfils the principal business criteria for being classified as a NBFC as on March 31, 2021 and accordingly is required to obtain registration for the same. However, the Subsidiary has no intention of conducting the business as an NBFC, and accordingly it has filed an application with the RBI seeking dispensation from registration as NBFC. For details, see " **-**

Certain statutory and regulatory licenses and approvals are required for conducting our business and any failure or omission to obtain, maintain or renew these licenses and approvals could adversely affect our business and results of operations." above.

- In FY 2020 and FY 2021, the Statutory Auditors have drawn attention to the management's assessment of the impact of the outbreak of Covid-19 on the business operations of the Company and its subsidiaries, as identified in the relevant consolidated financial statements ("**Group**"). Similar emphasis of matters were included in the auditors' reports on the audited standalone financial statements of our Subsidiaries, Nearbuy India Private Limited and Wasteland Entertainment Private Limited for FY 2020 and FY 2021.

- In FY 2019, FY 2020 and FY 2021, the Statutory Auditors have drawn attention to non- settlement of foreign currency payables as at March 31, 2019, March 31, 2020 and March 31, 2021, respectively, due for more than the time period permitted under the RBI Master Direction on Import of Goods and Services dated January 1, 2016, as amended, issued by RBI. In each FY, as mentioned above, our Company has applied to the Authorized Dealer seeking permission for extension of time period for settlement of the payables. Further, in FY 2021, our Company has approached the Authorized Dealer and RBI for permission to write-back certain payable balances and approval is currently awaited, which are currently awaited.

- In FY 2019, FY 2020 and FY 2021, the Statutory Auditors have drawn attention to non-realization of foreign currency receivables as at March 31, 2019, March 31, 2020 and March 31, 2021, respectively, due for more than the time period permitted, under the RBI Master Direction on Exports of Goods and Services dated January 1, 2016, as amended, issued by RBI. In each FY, as mentioned above, our Company and/or the Group has applied to the Authorized Dealer seeking permission for extension of time period for realisation of the receivables and write-off of certain receivables. Further, in FY 2021 our Company has made an application to RBI seeking approval for extension of time limit and write off of receivable balance and approval is currently awaited.

Further, the examination report on the Restated Financial Statements contains an emphasis of matter wherein the Statutory Auditors have drawn attention to the application made by our Company under section 454 of the Companies Act, 2013 to adjudicate non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of employee stock options ("**ESOPs**") made in earlier years to an employee. Our Company has taken steps in the form of cancellation of ESOP grants and shares allotted in the past have been transferred to the Paytm Associate Benefit Welfare Trust and the Company is awaiting the outcome of the adjudication application. For details, see "***-We have filed an adjudication application with the Registrar of Companies for non-compliance with relevant provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 in relation to grant of certain ESOPs to one of our employees.***" below.

Further, our auditors have included certain observations in their reporting under the Company (Auditor's Report) Order, 2016. For details, see "***Restated Financial Statements - Annexure VI to Restated Financial Statements***" on page 371.

There is no assurance that our audit reports for any future fiscal periods will not contain qualifications, matters of emphasis or other observations which affect our results of operations in such future periods. For further details, see, "***Restated Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 256 and 383, respectively.

28. We depend on key management, as well as our experienced and capable employees, and any failure to attract, motivate, and retain our employees could harm our ability to maintain and grow our business.

Our future success is significantly dependent upon the continued service of our executives and other key employees, including our Founder. If we lose the services of any member of management or any key personnel, we may not be able to locate a suitable or qualified replacement, which could severely disrupt our business and growth. To maintain and grow our business, we will need to identify, hire, develop, motivate, and retain highly skilled employees. Identifying, recruiting, training, integrating, and retaining qualified individuals requires significant time, expense, and attention. We may need to invest significant amounts of cash and equity to attract and retain new employees and expend significant time and resources to identify, recruit, train, and integrate such employees, and we may never realize returns on these investments. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts, and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations. We face intense competition for highly skilled employees especially as part of our product & technology team. We had an average of 2,550 member engineering, product and technology team in FY 2021. To attract and retain top talent, we have had to offer, and we believe we will need to continue to offer, competitive compensation and benefits packages. Competition for talent in the Indian internet industry is intense, and we may need to offer more attractive compensations and other benefits packages to attract and retain them.

In addition, from time to time, there may be changes in our management team that may be disruptive to our business. If our management team, including any new hires that we make, fails to work together effectively and to execute our plans and strategies on a timely basis, our business could be harmed. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts, and employee morale, productivity, and engagement could suffer, which could adversely affect our business, financial condition, cash flows and results of operations.

29. We rely on our suppliers and partners for our hardware, software and cloud and any impediment in procuring these in a timely manner and at competitive costs, or at all, may have a material adverse effect on our business, operations, financial condition, and cash flows.

Our ability to remain competitive and maintain revenues depends, in part, on our ability to source and maintain a stable and sufficient supply of hardware, software and cloud at desired prices. Many of our key hardware devices (including POS systems, scanners and Soundbox), key software services and cloud services come from our limited partners and suppliers located in India and overseas. In addition, there may be cases where we rely only on one manufacturer for a specific model of our POS systems or one partner for our cloud services.

Since we depend on external suppliers for all our hardware requirements and some of our software requirements, this subjects us to risks such as currency fluctuations, climatic and environmental conditions, production and transportation costs, changes in domestic as well as international government policies, regulatory or trade sanctions, or our manufacturers experiencing temporary or permanent disruptions in their manufacturing operations due to equipment breakdowns, labour strikes or shortages, natural disasters, component or material shortages, cost increases, insolvency, changes in legal or regulatory requirements, or other similar problems. Given all these possible risks, we could in the future experience product shortages or delays, and the availability of these products may be difficult to predict.

Additionally, we are also susceptible to various other potential supply-chain risks, such as strikes or shutdowns at delivery ports, loss of or damage to our products while they are in transit or storage, property theft, losses due to tampering, issues with quality or sourcing control, failure by our suppliers to comply with applicable laws, any intellectual property challenges, potential tariffs or other trade restrictions, security breach risks, or other similar problems could limit or delay the transit or supply of our products or harm our reputation. In the event of a shortage or supply interruption from manufacturers or suppliers of these components, we may not be able to develop alternate sources swiftly and cost-effectively, or at all.

30. The success and growth of our business depends upon our ability to innovate and develop new products and services. We are expanding and may in the future continue to expand into new industry verticals and geographic regions and our failure to mitigate specific regulatory, credit, and other risks associated with a new industry vertical or geographic region could have an adverse effect on our business.

We are India's leading, digital ecosystem for consumers and merchants, according to RedSeer, currently offering payment services, commerce and cloud services and financial services. We operate in an industry experiencing rapid technological change and frequent service introductions. We may not be able to make technological improvements as quickly as demanded by our consumers and merchants, which could harm our ability to retain or attract consumers and merchants. In addition, we may not be able to effectively implement new technology-driven services as quickly as competitors or be successful in marketing these products and services to consumers and merchants. If we are unable to successfully and timely innovate and continue to deliver a superior merchant and consumer experience, the demand for our products and services may decrease and our growth, business, results of operations, financial condition, cash flows and prospects could be materially and adversely affected. Our failure to accurately predict the demand or growth of our new products and services also could have a material and adverse effect on our business, results of operations, financial condition, and prospects. For example, through our participation in Foster Payment Networks Limited ("**FNPL**"), a consortium entity along with other participant companies, we intend to explore new service offerings such as operating new payment systems in the retail space such as ATMs and Aadhaar based payments under the recently published Framework for Authorization of Pan-

India Umbrella Entity for Retail Payments, 2020. Accordingly, FNPL has submitted an application in March, 2021 to the RBI for authorization to set up an umbrella entity offering such new services. FNPL may not be successful in obtaining such authorization, we may require a long gestation period to develop the required infrastructure and technology, there may not be sufficient acceptance or demand of the proposed services or our competitors may be successful in obtaining such authorization.

We are exploring and will continue to explore new business initiatives, including in industries, geographies and markets in which we have limited or no experience, as well as new business models that may be untested or even create new markets. For example, many of our financial products and services were launched in 2020 and as a result we have limited operating history for these products and services. We have limited financial data that can be used to evaluate our financial services business, and such data may not be indicative of future performance. These service offerings may present new and difficult technology, operational, and other challenges, and if we experience service disruptions, failures, or other issues, our business may be materially and adversely affected. Our newer activities may not recoup our investments in a timely manner or at all. If any of this were to occur, it could damage our reputation, and limit our growth, business and prospects.

We may not be able to successfully develop new products and services for these new industries, and our merchants and financial institutional partners may not want to be associated with us if we expand into certain verticals (whether as a result of actual or perceived increases in risk or reputational concerns or otherwise), which may result in the loss of such relationships. Developing new business initiatives and models or new markets requires significant investments of time and resources, and may present new and difficult technological, operational and compliance challenges. Additionally, industry participants, may not be receptive to our products and services in these new industries, which may cause them to eventually reduce their volume routed through us or even stop working with us. The merchant profile or regulatory cost of compliance in new verticals may not be as attractive as in our current verticals, which may lead to higher costs and/or lower GMV levels than we have historically experienced. If we expand into new verticals or geographic regions, we will need to understand and comply with various new requirements applicable in those verticals or regions. Industries change rapidly, and we may not be able to accurately forecast demand (or the lack thereof) for our solution or those industries may not grow. Failure to forecast demand or growth accurately in new industries, or eventual reputational damages from engaging in certain verticals, could have a material adverse impact on our business.

31. Our international operations involve risks that could increase our expenses, adversely affect our results of operations and require increased time and attention from our management.

We have operations in a number of jurisdictions, including in Canada, Singapore, UAE, Malaysia, Tanzania, Uganda and Bangladesh, among others. We may be subject to risks inherently associated with international operations. Our global operations expose us to legal, tax and regulatory requirements and violations or unfavorable interpretation by the respective authorities of these regulations could harm our business. This might include difficulties in managing, growing, and staffing international operations, including in countries in which foreign personnel are, or may become, part of labor unions, personnel representative bodies or collective agreements, and challenges relating to work stoppages or slowdowns. Additional risks associated with international operations include difficulties in enforcing contractual rights, foreign currency risks, the burdens of complying with a wide variety of foreign laws and potentially adverse tax consequences, including permanent establishment and transfer pricing issues, tariffs, quotas and other barriers and potential difficulties in collecting accounts receivable. In addition, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations. Our international expansion plans may not be successful and we may not be able to compete effectively in other countries. These factors could impede the success of our international expansion plans and limit our ability to compete effectively in other countries.

32. We may not have sufficient insurance coverage to cover our business risks.

We have obtained insurance to cover certain potential risks and liabilities, such as property damage, cyber security, commercial general liability for certain businesses we operate and personal accidents and group health covering our employees. We have also obtained insurance such as key man’s insurance policy and directors’ and officers’ liability insurance policy to cover certain potential employee related risks. However, insurance companies in the India and other jurisdictions in which we operate may offer limited business insurance products. As a result, we may not be able to acquire any insurance for all types of risks we face in our operations in India and elsewhere, and our coverage may not be adequate to compensate for all losses that may occur, particularly with respect to loss of business or operations. Any business disruption, litigation, regulatory action, outbreak of epidemic disease, adverse weather conditions or natural disasters could also expose us to substantial costs and diversion of resources.

There can be no assurance that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, cash flows, financial condition and results of operations could be materially and adversely affected.

33. We are exposed to many types of operational risk, including the risk of misconduct and errors by our employees and other service providers.

We are exposed to many types of operational risk, including the risk of misconduct, oversight and errors by our employees and other service providers. Our business depends on our employees and service providers to process a large number of increasingly complex transactions, including transactions that involve significant dollar amounts and loan transactions that involve the use and disclosure of personal and business information. We could be adversely affected if transactions were redirected, misappropriated, or otherwise improperly executed, personal and business information was disclosed to unintended recipients, or an operational breakdown or failure in the processing of other transactions occurred, whether as a result of human error, a purposeful sabotage or a fraudulent manipulation of our operations or systems. In addition, the manner in which we store and use certain personal information and interact with consumers and merchants through our platforms is governed by various laws. If any of our employees or service providers take, convert, or misuse funds, documents, or data, or fail to follow protocol when interacting with consumers and merchants, we could be liable for damages and subject to regulatory actions and penalties. We could also be subject to civil or criminal liability. It is not always possible to identify and deter misconduct or errors by employees or service providers, and the precautions we take to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses. Our resources, technologies and fraud prevention tools may be insufficient to accurately detect and prevent fraud. Any of these occurrences could diminish our ability to operate our business, increase our potential liabilities to consumers and merchants, and may lead to an inability to attract future consumers and merchants, cause reputational damage, attract regulatory intervention, and cause financial harm, any or all of which could negatively impact our business, results of operations, cash flows, financial condition, and prospects.

There is also a risk of fraudulent activity associated with our platforms, financial institution partners, consumers, merchants, and third-parties handling consumer information. For instance, a writ petition had been preferred by our Company before the High Court of Delhi ("**High Court**") against, among others, the Union of India, Telecom Regulatory Authority of India ("**TRAI**") and certain telecom service providers, praying for, *inter alia*, the High Court to direct TRAI to ensure strict compliance by telecom service providers with the Telecom Commercial Communications Customer Preferences Regulations, 2018, and to direct the telecom service providers to take effective actions under applicable law, such as blocking of phone numbers sending unsolicited commercial communication including through phone calls, to the our customers. The High Court, through order dated February 3, 2021, among other things, directed TRAI to ensure compliance and strict implementation of the provisions of the Telecom Commercial Communications Customer Preference Regulations, 2018 and other related regulations issued from time to time for the purpose of curbing unsolicited commercial communication sent over the respective networks of the telecom service providers.

34. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.

Intellectual property and other proprietary rights are important to the success of our business. Our ability to compete effectively is dependent in part upon our ability to obtain, maintain, protect, and enforce our intellectual property and other proprietary rights, including our proprietary technology, and to obtain licenses to use the intellectual property and proprietary rights of others. We rely on a combination of trademarks, domain names, and agreements with employees and third parties to protect our intellectual property and other proprietary rights. Nonetheless, the steps we take to obtain, maintain, protect, and enforce our intellectual property and other proprietary rights may be inadequate. Despite our efforts to protect these rights, unauthorized third parties, including our competitors, may duplicate, mimic, reverse engineer, access, obtain, or use the proprietary aspects of our technology, processes or services without our permission. Our competitors and other third parties may also design around or independently develop similar technology or otherwise duplicate or mimic our products and services such that we would not be able to successfully assert our intellectual property or other proprietary rights against them. We cannot assure that any future patent, trademark, or service mark registrations will be issued for our pending or future applications or that any of our current or future patents, copyrights, trademarks, or service marks (whether registered or unregistered) will be valid, enforceable, sufficiently broad in scope, provide adequate protection of our intellectual property or other proprietary rights, or provide us with any competitive advantage.

We may be unable to prevent competitors or other third parties from acquiring or using trademarks, service marks, or other intellectual property or other proprietary rights that are similar to, infringe upon, misappropriate, dilute, or otherwise violate or diminish the value of our trademarks and service marks and our other intellectual property and proprietary rights. The value of our intellectual property and other proprietary rights could diminish if others assert rights in or ownership of our intellectual property or other proprietary rights, or in trademarks or service marks that are similar to our trademarks or service marks. In addition, we cannot guarantee that we have entered into agreements containing obligations of confidentiality with each party that has or may have had access to proprietary information, know-how, or trade secrets owned or held by us. Moreover, our contractual arrangements may be breached or may otherwise not effectively prevent disclosure of, or control access to, our confidential or otherwise proprietary information or provide an adequate remedy in the event of an unauthorized disclosure. The measures we have put in place may not prevent misappropriation, infringement, or other violation of our intellectual property or other proprietary rights or information and any resulting loss of competitive advantage, and we may be required to litigate to protect our intellectual property or other proprietary rights or information from misappropriation, infringement, or other violation by others, which may be expensive, could cause a diversion of resources, and may not be successful, even when our rights have been infringed, misappropriated, or otherwise violated.

As the number of services in the software industry increases and the functionalities of these services further overlap, and as we acquire technology through acquisitions or licenses, we may become increasingly subject to infringement claims, including patent, copyright, and trademark infringement claims. We may be accused of infringing intellectual property or other proprietary rights of third parties. including serial trademark and patent individual squatters, including their copyrights, trademarks, or patents, or improperly using or disclosing their trade secrets, or otherwise infringing or violating their proprietary rights. For example, our application to register the trademark "PAYTM" in the United States was refused by the U.S. Patent and Trademark Office on the basis of an earlier application filed by an individual. We have filed an application to cancel the trademark filed by this individual which remains pending. Similarly, another individual has alleged that our Paytm Miniapp technology infringes that individuals's patent(s). We have responded to the patent's complaints.The costs of supporting any litigations, complaints or disputes related to such claims can be considerable, and we cannot assure you that we will achieve a favorable outcome of any such claim. If any such claim is valid, we may be compelled to cease our use of such intellectual property or other proprietary rights and pay damages, potentially adversely affecting our business. In the past, while we have entered into a settlement agreement pursuant to the terms of which we have agreed to not use the two tone blue "PAYTM" trademark in Canada, there is no assurance that such issues will not arise in the future or that we will be able to successfully settle any disputes. Even if such claims were not valid, defending them could be expensive and distract our management team, adversely affecting our results of operations.

Furthermore, the legal standards relating to the validity, enforceability, and scope of protection of intellectual property and other proprietary rights are still evolving. Our intellectual property and other proprietary rights may not be sufficient to provide us with a competitive advantage and the value of our intellectual property and other proprietary rights could also diminish if others assert rights therein or ownership thereof, and we may be unable to successfully resolve any such conflicts in our favor or to our satisfaction.

35. There are pending litigations against our Company, Subsidiaries, and certain of our Directors. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business, cash flows and reputation.

Certain legal proceedings involving our Company, subsidiaries of our Company, and certain of our Directors are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments and which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company, Subsidiaries and Directors, as disclosed in "***Outstanding Litigation and Material Developments***" on page 408, in terms of the SEBI ICDR Regulations as of the date of this Draft Red Herring Prospectus is provided below:

Type of Proceeding	Number of cases	Amount involved (in ₹ million)*
Litigation involving our Company		
Criminal proceedings	23	61.2

Type of Proceeding	Number of cases	Amount involved (in ₹ million)*
Material civil litigation	1	383.6
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	18	37, 299**
Litigation involving our Subsidiaries		
Criminal proceedings	1	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	22	143. 1
Litigation involving our Group Companies		
Outstanding litigation which may have a material impact on our Company	Nil	Nil
Litigation involving our Directors		
Criminal proceedings	1	Nil
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	1	Nil
Direct and indirect tax proceedings	Nil	Nil

**To the extent quantifiable*

***The disclosures are inclusive of the show cause notice dated December 29, 2020 issued by the Office of Deputy Commissioner, Noida, ("**SCN**") to our Company in relation to the tax returns filed by our Company for the period between April 2020 – September 2020 ("**Period**"). The SCN alleged that due tax had not been paid under correct head and input tax credit had been wrongly claimed/availed and utilized by our Company by making wilful-mistatements and supersession of facts for the Period, and directed our Company to provide explanations in relation to the issues raised in the SCN. The SCN proposed to levy a tax demand comprising of a tax amount of Rs. 17,895.0 mn, and an interest and penalty of Rs.19,387.9 million on our Company. Our Company, through reply dated January 14, 2021, responded to the SCN, and provided details and explanations sought in the SCN, and prayed before the Deputy Commissioner, Noida, among others, to drop the proposed tax demands raised in the SCN and hold the proceedings initiated pursuant to the SCN as not-sustainable and liable to be dropped.*

For further details see "***Outstanding Litigation and Material Developments***" beginning on page 408. We cannot assure you that any of the outstanding litigation matters will be settled in our favor, or that no (additional) liability will arise out of these proceedings. Our Company is in the process of litigating these matters, and based on the assessment in accordance with applicable accounting standard our Company has presently not made provision for any of the pending legal proceedings. For details of our contingent liabilities, see "***Summary of the Offer Document – Summary of Contingent Liabilities of our Company***" on page 31. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts, tribunals, consumer forums or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with the Company and vesting and exercise of ESOPs granted to them during their employment. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us.

36. Our Directors and Key Managerial Personnel have interests in our Company in addition to their remuneration and reimbursement of expenses.

Our Directors and Key Managerial Personnel are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any employee stock options, dividends, bonus or other distributions on such Equity Shares. Certain of our Directors are also nominees of some of our shareholders, and we have had related party transactions with such shareholders. Accordingly, these Directors may also said to be interested to the extent of such transactions. See "***Capital Structure – Shareholding Pattern of our Company***" on page 107. Mr. Vijay Shekhar Sharma is interested in our Company to the extent of the rights held by him to nominate Directors on the Board of our Company, pursuant to the SHA, and by the virtue of being a director on the board of and a shareholder of our Subsidiaries. Further, our nominee-Directors may be interested in our Company to the extent of shareholding and nomination rights held by the Shareholders who have nominated them on our Board pursuant to the SHA. For details, please see "***History and Certain Corporate Matters – Shareholders' Agreements***" beginning on page 209. For details on the interests of our Directors and Key Managerial Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see "***Our Management – Interests of Directors***", "***Our Management – Interests of Key Managerial Personnel" and "Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions***" on page 236, 246 and 326.

37. ***Some aspects of our platforms include open source software, and our use of open source software could negatively affect our business, results of operations, cash flows, financial condition, and prospects.***

Aspects of our platforms include software covered by open source licenses. The terms of open source licenses are open to interpretation, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our platform. In such an event, we could be required to re-engineer all or a portion of our technologies, seek licenses from third parties in order to continue offering our products and services, discontinue the use of our platforms in the event re-engineering cannot be accomplished, or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our technologies, products and services. If portions of our proprietary software are determined to be subject to an open source license, we could also be required to, under certain circumstances, publicly release or license, at no cost, our products and services that incorporate the open source software or the affected portions of our source code, which could allow our competitors or other third parties to create similar services with lower development effort, time, and costs, and could ultimately result in a loss of transaction volume for us. We cannot ensure that we have not incorporated open source software in our software in a manner that is inconsistent with the terms of the applicable license or our current policies, and we may inadvertently use open source in a manner that we do not intend or that could expose us to claims for breach of contract or intellectual property infringement, misappropriation, or other violation. If we fail to comply, or are alleged to have failed to comply, with the terms and conditions of our open source licenses, we could be required to incur significant legal expenses defending such allegations, be subject to significant damages, be enjoined from the sale of our products and services, and be required to comply with onerous conditions or restrictions on our products and services, any of which could be materially disruptive to our business.

In addition to risks related to license requirements, usage of open source software can lead to risks because open source licensors generally do not provide warranties or other contractual protections regarding infringement, misappropriation, or other violations, the quality of code, or the origin of the software. Many of the risks associated with the use of open source software cannot be eliminated and could adversely affect our business, results of operations, financial condition, and prospects. For instance, open source software is often developed by different groups of programmers outside of our control that collaborate with each other on projects. As a result, open source software may have security vulnerabilities, defects, or errors of which we are not aware. Even if we become aware of any security vulnerabilities, defects, or errors, it may take a significant amount of time for either us or the programmers who developed the open source software to address such vulnerabilities, defects, or errors, which could negatively impact our services, including but not limited to, by adversely affecting the market's perception of our products and services, impairing the functionality of our products and services, delaying the launch of new products and services, or resulting in the failure of our products and services, any of which could result in liability to us or our service providers. Further, our adoption of certain policies with respect to the use of open source software may affect our ability to hire and retain employees, including engineers.

38. ***We rely on telecommunications and information technology systems, networks and infrastructure to operate our business and any interruption or breakdown in such systems, networks or infrastructure or our technical systems could impair our ability to effectively operate our platforms or provide our products and services.***

Our business could be impacted by the failure of telecommunications network operators to provide us with the requisite bandwidth which could also interfere with the speed and availability of our platform, as well as by breakdowns at the level of our internet service providers. Additionally, systems, app components and software that are developed internally may contain undetected errors, defects or bugs, which we may not be able to detect and repair in time, in a cost-effective manner or at all. In such circumstances, we may be liable for all or some costs and damages, as we would not be entitled to any indemnification or warranty that may have been available if we had obtained such systems or software from third-party providers. Disruptions or instabilities in telecommunications networks, our platforms, servers and databases as well as the functioning of internet service providers could lead to dissatisfaction and damage our reputation.

In addition, to perform reliably, the fixed telecommunications networks and internet infrastructure of internet service providers in India, and in any other locations that we may operate in, require maintenance and periodic upgrading of the appropriate networks and infrastructure which are beyond our control. We cannot assure you that our back-up and disaster recovery measures and business continuity planning would effectively eliminate or alleviate the risks arising from the above contingencies. Our success will depend upon third parties maintaining and improving internet infrastructure to provide a reliable network with adequate speed and data capacity and telecommunication networks with good quality of services and lower congestion.

39. Internet search engines drive traffic to our platforms and our consumer growth could decline and our business, cash flows, financial condition, cash flows and results of operations would be adversely affected if we fail to appear prominently in search results.

Our success depends in part on our ability to attract consumers through unpaid internet search results on search engines. The number of consumers we attract to our platforms from search engines is due in large part to how and where our website ranks in unpaid search results. These rankings can be affected by a number of factors, many of which are not under our direct control and may change frequently. For example, a search engine may change its ranking algorithms, methodologies, or design layouts. As a result, links to our website may not be prominent enough to drive traffic to our website, and we may not be in a position to influence the results. Search engines may also adopt a more aggressive auction-pricing system for keywords that would cause us to incur higher advertising costs or reduce our market visibility to prospective consumers. Our website has experienced fluctuations in search result rankings in the past, and we anticipate similar fluctuations in the future. Any reduction in the number of consumers directed to our platforms could adversely affect our business, cash flows, financial condition, cash flows and results of operations.

40. Any failure by us or our merchants and financial institutional partners who work with us to comply with applicable anti-money laundering, counter-terrorist financing and economic sanction laws and regulations could lead to penalties and may damage our reputation.

We and our partners who work with us are required to comply with certain anti-money laundering requirements in India and other regulators in the jurisdictions where we and our partners operate. These requirements include the establishment of a client identification program, the monitoring and reporting of suspicious transactions, the preservation of client information and transaction records, and the provision of assistance in investigations and proceedings in relation to money laundering matters. We and our financial institutions partners are also subject to various counter-terrorist financing and economic sanction laws and regulations that prohibit, among other things, any involvement in transferring the proceeds of criminal activities and any activities involving restricted countries, organizations, entities and persons that have been identified as unlawful actors or that are subject to US sanctions imposed by the U.S. Department of the Treasury of Foreign Asses Control ("**OFAC**"), or other international economic sanctions that prohibit us and our partners from engaging in trade or financial transactions with certain countries, businesses, organizations and individuals. These laws and regulations require us and our partners to establish sound internal control policies and procedures with respect to anti-money laundering, counter-terrorist financing and economic sanction monitoring and reporting obligations.

In February 2021, in response to the coup in Burma, President Biden issued Executive Order 14014, authorizing the imposition of targeted sanctions against individuals and entities in Burma (Myanmar). Pursuant to the order, OFAC has added to its list of Specially Designated Nationals ("**SDN List**") a number of individuals involved in or supporting the coup as well as several Burmese state-owned enterprises. In addition, the U.S. Department of Commerce Bureau of Industry and Security ("**BIS**") has added a number of government agencies and other entities supporting the Burmese armed forces to its Entity List. Most items subject to the Export Administration Regulations ("**EAR**") now require a license to export or re-export to such parties, which will be subject to a presumption of denial. Although we do not conduct any business, directly or indirectly, with any persons on the SDN List or Entity List, if additional sanctions are imposed, it is possible that they could have an adverse impact on our operations in Burma. Moreover, even in cases where our Burma-related business would not violate U.S. law, potential investors could view such engagements negatively, which could adversely affect our reputation and commercial prospects.

The policies and procedures we and our partners have adopted may not be effectively implemented in protecting our services from being exploited for money laundering, terrorist financing and other illegal purposes. If we fail to comply with anti-money laundering, anti-terrorist and economic sanction laws and regulations, we will be subject to fines, enforcement actions, regulatory sanctions, additional compliance requirements, increased regulatory scrutiny of our business, or other penalties levied by regulators, and damages to our reputation, all of which may adversely affect our business operations, and results of operations. In particular, if we were publicly named as a sanctioned entity by relevant regulatory authorities or become subject to investigation, our business may be significantly interrupted and our reputation might be severely damaged. Similarly, if our partners fail to comply with applicable laws and regulations, it could disrupt our services and could result in potential liability for us and damage our reputation. We and our partners have been and will continue to be required to make changes to our and their respective compliance programs in response to any new or revised laws and regulations on anti-money laundering, counter-terrorist financing and economic sanctions, which could make compliance more costly and operationally difficult to manage.

41. After the completion of the Offer, certain Shareholders will continue to collectively hold substantial shareholding in our Company.

Following the completion of the Offer, certain Shareholders will continue to hold approximately [•]% of our post-Offer Equity Share capital, For details of their shareholding pre and post Offer, see "***Capital Structure***" on page 94. This concentration of ownership may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult without the support of these shareholders. Further, upon listing of the Equity Shares on recognized stock exchanges, pursuant to the Articles of Association, certain of our shareholders, as specified in the Articles of Association, and our founder shall have a right to nominate one nominee Director each on our Board. This right is subject to thresholds in relation to a prescribed number of Equity Shares on a fully diluted basis or a prescribed percentage of our Equity Share capital on a fully diluted basis required to be held by these shareholders and/or founder and such other conditions as have been specified in the SHA and the Articles of Association. For details, see "***History and Certain Corporate Matters – Shareholders' Agreements***" on page 209. Such nomination right shall be subject to ratification by the shareholders of the Company by way of a special resolution post the listing of the Equity Shares on recognized stock exchanges. Additionally, certain shareholders of our Company have agreed to an arrangement, as specified in the Articles of Association, wherein they will not sell their equity shareholding in our Company to certain competitors subject to the exceptions specified therein for a period of five years from the adoption of the Articles of Association. The interests of our significant shareholders could conflict with our interests or the interests of our other shareholders. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

42. An inability to comply with repayment and other covenants in the financing agreements could adversely affect our business, financial condition, cash flows and credit rating

We have entered into agreements in relation to financing arrangements with certain banks for working capital facilities and bank guarantees. As of March 31, 2021, we had total current borrowings of ₹5,449 million. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and entering into forward contracts, swaps, options, or other liability management contracts in respect of short term facilities. For details, see "***Financial Indebtedness***" beginning on page 380.

Further, under the terms of our borrowings, we are required to create a charge by way of hypothecation on the entire current assets of our Company, together with cash in hand, bank accounts and receivables. As these assets are hypothecated in favor of lenders, our rights in respect of transferring or disposing of these assets are restricted. There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities could adversely affect our financial condition, cash flows and credit rating.

43. We may not be able to obtain financing on favourable terms or at all.

We may require additional cash resources due to future growth and development of our business, including any investments or acquisitions we may decide to pursue. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities.

Our ability to obtain external financing in the future is subject to a variety of uncertainties. Indian companies may be required to complete filings with the applicable regulatory authorities before the launch of any onshore or offshore debt issuance. These filing and approval procedures will take time, which may result in our missing the best market windows for debt or equity issuances in the future. In addition, incurring indebtedness would subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. Any failure to raise needed funds on terms favourable to us, or at all, may impact our liquidity as well as have a material adverse effect on our business, cash flows, financial condition and results of operations.

44. Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been commissioned by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Pursuant to being engaged by us, RedSeer, prepared a report on our industry, "Digital Payments", "Insurtech", "Wealthtech" and "Digital Lending" (together "**RedSeer Report**"). Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the RedSeer Report or extracts of the RedSeer Report. We commissioned this report for the purpose of confirming our understanding of the industry in connection with the Offer. None of our Company (including our Directors), the Selling Shareholder, the legal counsels and the BRLMs, nor any other person connected with the Offer has verified the information covered in the RedSeer Report and cannot provide any assurance regarding the information in this Draft Red Herring Prospectus derived from, or based on, the RedSeer Report. All such information in this Draft Red Herring Prospectus indicates the RedSeer Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the RedSeer Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the RedSeer Report is not a recommendation to invest / disinvest in any company covered in the RedSeer Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report before making any investment decision regarding the Offer. See "***Industry Overview***" on page 131. For the disclaimers associated with the RedSeer Report, see "***Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data***" on page 20.

45. We track certain operational metrics with internal systems and tools. Certain of our operational metrics are subject to inherent challenges in measurement which may adversely affect our business and reputation.

We track certain operational metrics, including order counts and key business and non-GAAP metrics such as GMV, MTU, Adjusted EBITDA, Adjusted EBITDA margin, and contribution profit and margin, among others, with internal systems and tools and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our platforms are used across large populations. For example, the accuracy of our operating metrics could be impacted by fraudulent consumers of our platform, and further, we believe that there are consumers who have multiple accounts, even though this is prohibited in our Terms of Service and we implement measures to detect and prevent this behavior. Consumer usage of multiple accounts may cause us to overstate the number of consumers on our platform. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, cash flows and results of operations would be adversely affected. See "***Management's Discussion and Analysis of our Results of Operations***" on page 383 for more details.

46. We may be unable to renew our existing leases or secure new leases for our existing offices.

Our registered office, our corporate office and our other offices across the country are located on leased properties. Typically, the term of our leases ranges from three years to nine years and while we renew these lease agreements and deeds periodically in the ordinary course of business, in the event that these existing leases are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business, financial condition, cash flows and results of operations may be adversely affected. Further, any regulatory non-compliance by the landlords or adverse development relating to the landlords' title or ownership rights to such properties, including as a result of any non-compliance by the landlords, may entail disruptions to our operations, especially if we are forced to vacate leased spaces following any such developments, and expose us to reputational risks. In addition, lease agreements are required to be duly registered and adequately stamped under Indian law and if any of our lease agreements or other agreements entered into by us, are not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India along with the requisite stamp duty prescribed under applicable Indian law being paid.

47. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.

We intend to utilize the Net Proceeds of the Offer as set forth in "***Objects of the Offer***" beginning on page 115. The funding requirements mentioned as a part of the objects of the Offer are based on internal management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies and since we have not presently entered into any definitive agreements for the use of Net Proceeds. Further, while we will from time to time continue to seek attractive inorganic opportunities for utilization of our Net Proceeds, the amount of Net Proceeds to be used for acquisitions will be based on our management's discretion and we have not presently entered into any definitive agreements in this regard.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our plan to investment in new businesses and inorganic expansion could be delayed due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Further, we may not be able to attract personnel with sufficient skills or sufficiently train our personnel to manage our expansion plans.

Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

48. We have entered into, and will continue to enter into, related party transactions which may potentially involve conflicts of interest.

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. For details regarding our related party transactions, see ***"Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions***" on page 326. While we believe that all such related party transactions that we have entered into are conducted on an arms' length basis in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing, will be subject to board or shareholder approval, as necessary under the Companies Act and the Listing Regulations, in the interest of the Company and its minority shareholders and in compliance with the Listing Regulations, we cannot assure you these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Further, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

49. Our online marketing services/listings or reviews may constitute internet advertisement, which subjects us to laws, rules and regulations applicable to advertising.

Indian and international advertising laws, rules and regulations require advertisers, advertising operators and advertising distributors to ensure that the content of the advertisements they prepare or distribute is fair and accurate and is in full compliance with applicable law. Violation of these laws, rules or regulations may result in penalties, including fines, confiscation of advertising costs, orders to cease dissemination of the advertisements and orders to publish corrective information. Complying with these requirements and any penalties or fines for any failure to comply may significantly reduce the attractiveness of our platforms and increase our costs and could have a material adverse effect on our business, financial condition, cash flows and results of operations.

In addition, for advertising content related to specific types of services, advertisers, advertising operators and advertising distributors must confirm that the advertisers have obtained the requisite government approvals, including the advertiser's operating qualifications, proof of quality inspection of the advertised services, and, with respect to certain industries, government approval of the content of the advertisement and filing with the local authorities. Pursuant to the internet laws in India, we are required to take steps to moderate the content displayed on our platform, such as reviews posted by consumers. This requires considerable resources and time, and could significantly affect the operation of our business, while at the same time also exposing us to increased liability under the relevant laws, rules and regulations. The costs associated with complying with these laws, rules and regulations, including any penalties or fines for our failure to comply if required, could have a material adverse effect on our business, financial condition, cash flows and results of operations. Any further change in the classification of our online marketing services by the Indian government may also significantly disrupt our operations and materially and adversely affect our business and prospects.

50. We have filed certain applications with the relevant authorities, including an adjudication application for non-compliance with relevant provisions of the Companies Act, 2013 in relation to grant of certain ESOPs to one of our employees, and cannot assure you that these matters will be resolved in our favour.

The provisions of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 prescribe certain eligibility criteria for employees who can be granted ESOPs by a company. Our Company inadvertently granted ESOPs to an employee who was not eligible for such ESOP grants under the Companies Act, 2013 and we became aware of such ineligibility only in light of certain definitions provided under SEBI (Share Based Employee Benefits) Regulations, 2014, which are not included in the Companies Act, 2013. In response, all outstanding options that were granted to such employee have been cancelled, and such employee no longer holds any ESOPs or equity shares of the Company pursuant to any such ESOP grants. Our Statutory Auditors have included an emphasis of matter in this regard in the examination report on the Restated Financial Statements. For details, see **"*-Our Statutory Auditors have included certain emphasis of matters in the auditors' reports on our audited consolidated financial statements for the last three fiscal years.*"** above**.** We have *suo motto* filed an adjudication application before the Registrar of Companies in this regard. Additionally, our Company has also filed a *suo motto* application with the Ministry of Corporate Affairs ("**MCA**") for condonation of delay in respect of inadvertent delay and subsequent inability to electronically file Form MGT-14 on the MCA portal due to technical reasons for the resolutions passed by our Board in its meeting held on March 11, 2020 and a special resolution passed by our Shareholders at their meeting held on March 19, 2020. We cannot assure you that these matters will be resolved in a timely manner or at all and that our Company will not be subject to any penalty or any additional payment in future.

51. Our contingent liabilities could adversely affect our financial condition if they materialize.

The following is a summary table of our contingent liabilities as of March 31, 2021:

(₹ in million)

S. No.		Particulars	As of March 31, 2021
1.	(a)	Claims against the Group* not acknowledged as debts	476
	(b)	Income tax related matters	16
Total			**492**

S. No.	Particulars	As of March 31, 2021
2.	The Group will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the Restated Financial Statements.	
3.	During the year ended March 31, 2021, our Company has been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. Our Company actively monitors such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.	

** "Group" shall include the Company and its subsidiaries as per the Restated Financial Statements*

Notes:

1. *It is not practicable for the Group to estimate the timing of cash outflows, if any.*
2. *The Group does not expect any reimbursements in respect of the above contingent liabilities.*

52. We have issued equity shares during the last one year from the date of this Draft Red Herring Prospectus at a price which may not be indicative of the Offer Price(other than bonus issues).

During preceding one year from the date of this Draft Red Herring Prospectus, we have issued the following Equity Shares of our Company

Date of allotment	Reason / nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
August 28, 2020	Exercise of stock options	5,379	10	90	Cash
November 20, 2020	Preferential allotment	5,000	10	18,768	Cash
December 18, 2020	Exercise of stock options	28,968	10	90	Cash
February 25, 2021	Exercise of stock options	5,642	10	90	Cash
April 25, 2021	Exercise of stock options	9,081	10	90	Cash
May 28, 2021	Exercise of stock options	40,042	10	90	Cash
	Exercise of stock options	5,000	10	180	Cash
	Exercise of stock options	2,000	10	10	Cash
July 5, 2021	Exercise of stock options	514,570	1	9	Cash
	Exercise of stock options	30,300	1	1	Cash

The price at which Equity Shares have been issued by our Company in the immediately preceding year is not indicative of the price at which they will be issued or traded. For further information, refer to the section "***Capital Structure – Notes to Capital Structure – Share Capital History***" on page 94.

53. We have not been able to obtain certain records of the educational qualifications of a Director and have relied on declarations and undertakings furnished by such Director for details of his profile included in this Draft Red Herring Prospectus.

Our director, Ravi Chandra Adusumalli (Nominee Director), has been unable to trace copies of documents pertaining to his educational qualifications. Accordingly, reliance has been placed on undertakings furnished by such director to us, the JGC-BRLMs and the BRLMs to disclose details of their educational qualifications in this Draft Red Herring Prospectus. We, JGC-BRLMs and the BRLMs, have been unable to independently verify these details prior to inclusion in this Draft Red Herring Prospectus. Further, there can be no assurances that our Director will be able to trace the relevant documents pertaining to his qualifications in future, or at all.

External Risks

1. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect the e-commerce in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

For instance, the GoI has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future and increase our expenses.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

2. Changes in the taxation system in India could adversely affect our business.

Our business, financial condition and results of operations could be adversely affected by any change in the extensive central and state tax regime in India applicable to us and our business. Tax and other levies imposed by the central and state governments in India that affect our tax liability, include central and state taxes and other levies, income tax, turnover tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced on a temporary or permanent basis from time to time. This extensive central and state tax regime is subject to change from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

For instance, the Government of India has implemented two major reforms in Indian tax laws, namely the GST, and provisions relating to general anti-avoidance rules ("**GAAR**"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. The GST regime is relatively new and therefore is subject to amendments and its interpretation by the relevant regulatory authorities. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Our companies operating in India may choose not to claim any of the specified deductions or exemptions and claim the lower corporate tax, in which case, the minimum alternate tax provisions would not be applicable. Alternatively, we may choose to pay the higher of corporate tax; i.e., 30% or 25%, as the case may be, plus applicable surcharge and cess, after claiming the applicable deductions and exemptions or the minimum alternate tax at the rate of 15% plus applicable surcharge and cess. As such, there is no certainty on the impact that these amendments may have on our business and operations or on the industry in which we operate.

Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax (**"DDT**"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In the same Finance Act, 2020, a new provision was introduced to put an obligation on every e-commerce company to deduct tax at source on all supplies through the platform, irrespective of consideration received or otherwise, based on the tax rate determined based on the validation of PAN details of the platforms' suppliers. These provisions were made effective from October 1, 2020 and create an additional compliance burden on the Company. Any failure in such deduction could lead to costs being incurred to correct the tax defect or non-compliance.

With several proposals to introduce further regulatory compliances, additional conditions to be met to receive benefits under existing regimes being introduced, upon any such proposals being notified, we may also become subject to *inter alia* additional compliances and increased associated costs. For instance, under the Finance Act, 2021, with effect from July 1, 2021, higher TDS rates may become applicable in the event of failure of certain compliances, including of linking Aadhar with permanent account numbers, or other conditions being proposed including to display QR codes on B2C transactions which could pose operational and implementation challenges given the large number of orders in invoices.

3. The ability of foreign investors to invest in our Company may be constrained by Indian law.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. For details, in relation to the restrictions under the FDI Policy applicable to certain of our Subsidiaries and Paytm Payments Bank, please see "***Key Regulations and Policies in India***" on page 18. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**"), as consolidated in the FDI Policy with effect from October 15, 2020, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Any such approval(s) would be subject to the discretion of the regulatory authorities. This may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. For further details, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 466.

Further, in terms of notification dated June 14, 2021 issued by the RBI, new investors from FATF non-compliant jurisdictions such as Mauritius, Cayman Islands and Uganda are not permitted to acquire, directly or indirectly, 20% or more of the voting power of any existing payment system operators ("**PSOs**") or any entity seeking authorization as a PSO. However, existing investors may continue holding their investments in PSOs made prior to classification of their jurisdiction as FATF non-compliant and/or bring in additional investments as per the extant regulations. FNPL, a consortium entity in which we have participated along with other participant companies, for a PSO license, will accordingly be subject to the requirements of this notification, which may have an adverse effect on the ability of new foreign investors from FATF non-compliant jurisdictions to, directly or indirectly, invest in FNPL and/or our Company. Our ability to set up other regulated businesses may also be subject to the requirements of this notification, and have similar implications.

4. A downgrade in ratings of India, may affect the trading price of the Equity Shares.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating decreased from Baa2 with a "negative" outlook to Baa3 with a "negative" outlook by Moody's and from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020; and from BBB "stable" to BBB "negative" by DBRS in May 2020. India's sovereign ratings from S&P is BBB- with a "stable" outlook. Any further adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favorable terms or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Equity Shares.

5. Political, macroeconomic, demographic and other changes could adversely affect economic conditions in India.

Our Company is incorporated in India and derives the majority of its revenue from operations in India and the majority of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, and other social, political and economic developments affecting India. The Indian economy differs from the economies of most developed countries in many respects, including the degree of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. While the Indian economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The Indian government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Indian economy, but may have a negative effect on us.

Our business results depend on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to consumer discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, rising interest rates or other industry-wide cost pressures could also affect consumer behavior and lead to a decline in our sales and earnings.

Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- Inflation rates; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

6. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Furthermore, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of the Equity Shares.

7. ***Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

Our Restated Financial Statements for FY 2019, FY 2020 and FY 2021 included in this Draft Red Herring Prospectus are derived from the Audited Consolidated Financial Statements prepared under the Ind AS, in each case restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

8. ***We are, and after the Offer will remain, a "foreign owned and controlled" company in accordance with the Consolidated FDI Policy and FEMA Rules and accordingly, we shall be subject to Indian foreign investment laws***

In accordance with the provisions of the Consolidated FDI Policy and FEMA Rules, our Company is a foreign owned and controlled company. As a foreign owned and controlled company, our Company is subject to various requirements under the Consolidated FDI Policy and other Indian foreign investment laws. Such requirements include restriction on undertaking certain business activities without prior Government approval or at all, and pricing guidelines applicable to issue or transfer of our Equity Shares.

While we believe that our business activities have been, and continue to remain, compliant with the requirements under the Consolidated FDI Policy and other Indian foreign investment laws, we cannot assure you that the Government, or a regulatory or judicial authority, will not take a different interpretation. A determination by the Government, or a regulatory or judicial authority, that any of our business activities are being, or have been, conducted in violation of the Consolidated FDI Policy and other applicable Indian foreign investment laws, would attract regulatory sanctions, including monetary penalties. In such an event, we may also have to cease undertaking the relevant business activities. Further, till the time we continue to be a foreign owned and controlled company, we may not be able to undertake certain commercially attractive business activities or investments without prior approval of the Government or at all.

9. Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.

The Competition Act seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners *i.e.* entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

10. Natural disasters, fires, epidemics, pandemics, acts of war, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations.

Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our technological infrastructure and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and the trading price of the Equity Shares.

Risks Related to the Offer

1. ***Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013.***

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares will be locked in for a period of three years pursuant to the Offer. In terms of Regulations 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital will be locked-in for a period of one year from the date of Allotment, other than (a) Equity Shares which are successfully transferred as part of the Offer for Sale; and (b) any Equity Shares allotted to employees, whether currently an employee or not, pursuant to the employee stock options schemes of our Company, prior to the Offer.

Following the lock-in period of one year, the pre-Offer shareholders, may sell their shareholding in our Company, depending on market conditions and their investment horizon. Further, any perception by investors that such sales might occur could additionally affect the trading price of the Equity Shares.

2. ***We cannot assure payment of dividends on the Equity Shares in the future.***

Our Company has a formal dividend policy as on the date of this Draft Red Herring Prospectus. Our Company has however not declared dividends on the Equity Shares during the current Fiscal Year and the last three Fiscal Years. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future. For details pertaining to dividend declared by us in the past, see "***Dividend Policy***" on page 255.

3. ***Our Equity Shares have never been publicly traded, and after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the Offer Price may not be indicative of the market price of the Equity Shares after the Offer.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

4. ***The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Investor Selling Shareholders in consultation with the Managers. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Investor Selling Shareholders in consultation with the Managers through the Book Building Process. These will be based on numerous factors, including factors as described under "***Basis for Offer Price***" beginning on page 124 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Managers is below their respective issue price. For further details, see "***Other Regulatory and Statutory Disclosures – Price information of past issues handled by the JGC-BRLMs and the BRLMs***" commencing on page 432. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

5. ***Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realized on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, we may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non -delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

Additionally, the Finance Act does not require DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

6. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

7. There is no guarantee that our Equity Shares will be listed on the BSE and NSE in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

8. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

9. Investors may have difficulty enforcing foreign judgments against our Company or our management.

Our Company is incorporated under the laws of India as a company limited by shares . The majority of our directors and executive officers are residents of India. A substantial portion of our Company's assets and the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 ("**CPC**"), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. Some jurisdictions including the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

10. The requirements of being a publicly listed company may strain our resources.

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

11. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. To the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of your ownership position and their proportional interests in our Company would be reduced.

12. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute holders' shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

13. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

14. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

15. ***Our Company is not, and does not intend to become, regulated as an investment company under the Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares.***

Our Company will not be subject to the provisions of the U.S. Investment Company Act, in reliance on Section 3(c)(7) thereof, which excludes from the definition of "investment company" any issuer whose outstanding securities are owned exclusively by "qualified purchasers" (as defined in such Section 3(c)(7)), and who meet the other conditions contained therein. For purposes of the Volcker Rule, a "covered fund" includes any issuer that would be an investment company but for the exclusions contained in Section 3(c)(1) or Section 3(c)(7) under the U.S. Investment Company Act.

The Volcker Rule may negatively affect the ability of certain types of entities to purchase the Equity Shares. The Volcker Rule generally prohibits "banking entities" (including certain of the Underwriters and their affiliates) from engaging in proprietary trading, or from acquiring or retaining an "ownership interest" in, sponsoring or having certain relationships with "covered funds", subject to certain exclusions and exemptions under the Volcker Rule. A "banking entity" generally includes any U.S. insured depository institution, any company that controls an U.S. insured depository institution (as defined in Section 3 of the U.S. Federal Deposit Insurance Act (12 U.S.C § 1813)), subject to certain exclusions), any company that is treated as a bank holding company for purposes of Section 8 of the U.S. International Banking Act of 1978, or any affiliate or subsidiary of any of the foregoing entities. The Volcker Rule's prohibition on "covered fund" investments and properitary trading activities is subject to certain limited exemptions, including for, among other things, certain underwriting and market making activitie and the activities of qualified non-U.S. banking entities which are conducted solely outside the United States.

These and other exemptions under the Volcker Rule are subject to specific conditions and requirements. With respect to the market making and underwriting exemptions, recent amendments to the Volcker Rule's implementing regulations elimintated the requirement that a "banking entity" include "ownership interests" in third-party "covered funds" or "covered funds" guaranteed by a "banking entity" that are acquired or retained under the market making or underwriting exemptions towards its per-fund and aggregate "covered fund" investment limits and for the required Tier 1 capital deduction.

Any prospective investor in the Equity Shares should consult its own legal counsel regarding the potential impact of the Volcker Rule and its ability to purchase or retain the Equity Shares. None of the Company nor any or to such investor's investment in the Equity Shares. None of the Company nor any Underwriter nor any of their respective affiliates makes any representation to any prospective investor or purchaser of the Equity Shares regarding the or to such investor's investment in the Equity Shares on the date of issuance or at any time in the future.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer(1) (2)(3) #	Up to [●] Equity Shares aggregating up to ₹ 166,000 million
The Offer consists of:	
Fresh Issue(1)	Up to [●] Equity Shares aggregating up to ₹ 83,000 million
Offer for Sale(2)	Up to [●] Equity Shares aggregating up to ₹ 83,000 million
Of which:	
Employee Reservation Portion(3)	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹ [●] million
Of which:	
A. QIB Portion(4) (5)	Not less than [●] Equity Shares
Of which:	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Available for allocation to mutual funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion(4)	Not more than [●] Equity Shares
C. Retail Portion(4)	Not more than [●] Equity Shares
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	605,930,140 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of proceeds of the Offer	For details, see "***Objects of the Offer***" on page 115 for details regarding the use of proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

 # Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

(1) The Fresh Issue has been authorised by a resolution by our Board dated June 14, 2021 and a special resolution of our Shareholders dated July 12, 2021.

(2) The Selling Shareholders have, severally and not jointly, confirmed and approved the inclusion of their respective portions of the Offered Shares in the Offer for Sale as set out below:

S. No.	Selling Shareholder	Maximum number of Offered Shares	Date of Selling Shareholder's Consent Letter	Date of corporate authorisation/ board resolution
Founder Selling Shareholder				
1.	Mr. Vijay Shekhar Sharma	[●]	July 15, 2021	-
Investor Selling Shareholders				
1.	Antfin (Netherlands) Holding B.V.	[●]	July 15, 2021	July 11, 2021
2.	Alibaba.com Singapore E-Commerce Private Limited	[●]	July 15, 2021	July 12, 2021
3.	Elevation Capital V Limited	[●]	July 15, 2021	June 25, 2021
4.	Elevation Capital V FII Holdings Limited	[●]	July 15, 2021	June 28, 2021

S. No.	Selling Shareholder	Maximum number of Offered Shares	Date of Selling Shareholder's Consent Letter	Date of corporate authorisation/ board resolution
5.	SAIF III Mauritius Company Limited	[●]	July 15, 2021	June 28, 2021
6.	SAIF Partners India IV Limited	[●]	July 15, 2021	June 25, 2021
7.	SVF Panther (Cayman) Limited	[●]	July 15, 2021	July 14, 2021
8.	BH International Holdings	[●]	July 15, 2021	July 9, 2021
Other Selling Shareholders				
1.	Mountain Capital Fund, L.P.	[●]	June 24, 2021	June 24, 2021
2.	RNT Associates Private Limited	[●]	June 17, 2021	June 17, 2021
3.	DG PTM LP	[●]	June 17, 2021	June 17, 2021
4.	Mr. Ravi Datla	[●]	June 15, 2021	-
5.	Mr. Varun Gupta	[●]	June 17, 2021	-
6.	Mr. Amit Khanna	[●]	June 18, 2021	-
7.	Mr. Prakhar Srivastava	[●]	June 17, 2021	-
8.	Mr. Narendra Singh Yadav	[●]	June 16, 2021	-
9.	Mr. Abhishek Arun	[●]	June 15, 2021	-
10.	Mr. Shapath Parikh	[●]	June 28, 2021	-
11.	Ms. Muskaan Parikh	[●]	June 28, 2021	-
12.	Mr. Saurabh Sharma	[●]	June 17, 2021	-
13.	Mr. Manas Bisht	[●]	June 30, 2021	-
14.	Mr. Sanjay S. Wadhwa	[●]	June 28, 2021	-
15.	Mr. SasiRaman Venkatesan	[●]	June 28, 2021	-
16.	Mr. N. Ramkumar	[●]	June 28, 2021	-
17.	Mr. Abhay Sharma	[●]	June 21, 2021	-
18.	Mr. Krishna Kumar Rathi	[●]	June 22, 2021	-

(3) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion, shall be added to the Net Offer.*

(4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs, the BRLMs and the Designated Stock Exchange subject to applicable law.*

(5) *Our Company, in consultation with the JGC-BRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see* ***"Offer Procedure"*** on page 448.

Notes:

1. *Allocation to all categories, other than Anchor Investors and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see "****Offer Procedure****" and "****Terms of the Offer****" on pages 448 and 439, respectively.*

2. *The Offer is being made in compliance with Rule 19(2)(b) of the SCRR.*

3. *Our Company will not receive any proceeds from the Offer for Sale.*

For details, including grounds for rejection of Bids, refer to "***Offer Structure***" and "***Offer Procedure***" on page 445 and 448, respectively. For details of the terms of the Offer, see "***Terms of the Offer***" on page 439.

SUMMARY FINANCIAL STATEMENTS

*The summary financial statements presented below should be read in conjunction with "**Restated Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 256 and 383 respectively.*

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Restated Consolidated Statement of Assets and Liabilities
(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	2,992	2,616	1,999
Right-of-use-assets	1,283	2,674	2,748
Capital work in progress	208	131	513
Goodwill	467	467	2,930
Other intangible assets	171	178	734
Intangible assets under development	28	16	43
Investment in joint ventures	-	762	460
Investment in associates	2,317	2,468	2,002
Financial assets			
Investments	341	2,276	1,051
Loans	1,258	1,555	1,074
Other financial assets	2,613	19,720	1,371
Current tax assets	3,016	4,937	4,648
Deferred tax assets	35	32	30
Other non-current assets	2,786	842	1,356
Total Non-Current Assets	**17,515**	**38,674**	**20,959**
Current assets			
Financial assets			
Investments	1,472	31,894	24,979
Trade receivables	3,393	3,010	2,584
Cash and cash equivalents	5,468	4,232	3,255
Bank balances other than cash and cash equivalents	23,296	1,170	1,358
Loans	2,564	702	3,088
Other financial assets	23,753	10,207	17,308
Other current assets	14,052	13,142	14,137
Total Current Assets	**73,998**	**64,357**	**66,709**
TOTAL ASSETS	**91,513**	**103,031**	**87,668**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	605	604	575
Instruments entirely equity in nature	-	-	-
Other equity	64,743	80,448	56,674
Equity attributable to owner of the parent	**65,348**	**81,052**	**57,249**
Non-controlling interests	(186)	(140)	862
Total Equity	**65,162**	**80,912**	**58,111**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	-	-	-
Lease liabilities	427	1,822	2,038
Deferred tax liabilities	6	11	185
Contract Liabilities	4,119	3,423	-
Provisions	247	203	115
Total Non-Current Liabilities	**4,799**	**5,459**	**2,338**
Current liabilities			
Financial liabilities			
Borrowings	5,449	2,081	6,956
Lease liabilities	244	372	323

Restated Consolidated Statement of Assets and Liabilities
(Amounts in ₹ million, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade payables			
(a) Total Outstanding dues of micro and small enterprises	56	114	113
(b) Total Outstanding dues other than (a) above	5,996	6,002	7,247
Others financial liabilities	5,153	2,339	7,054
Contract Liabilities	1,581	3,181	3,529
Other current liabilities	2,643	2,013	1,592
Provisions	430	558	405
Total Current Liabilities	**21,552**	**16,660**	**27,219**
Total Liabilities	**26,351**	**22,119**	**29,557**
TOTAL EQUITY AND LIABILITIES	**91,513**	**103,031**	**87,668**

Restated Consolidated Statement of Profit and Loss
(Amounts in ₹ million, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations			
Payment and financial services	21,092	19,068	16,955
Commerce and cloud services	6,932	11,188	15,365
Other operating revenue	-	2,552	-
Other income	3,844	2,599	3,477
Total income#	**31,868**	**35,407**	**35,797**
#excluding total income from discontinued operation for the year ended March 31, 2021: ₹ Nil (March 31, 2020: ₹ Nil; March 31, 2019 : ₹ 15)			
Expenses			
Payment processing charges	19,168	22,659	22,574
Marketing and promotional expenses	5,325	13,971	34,083
Employee benefits expense	11,849	11,193	8,562
Software, cloud and data centre expenses	3,498	3,603	3,096
Depreciation and amortization expense	1,785	1,745	1,116
Finance costs	348	485	342
Other expenses	5,857	7,726	7,666
Total expenses#	**47,830**	**61,382**	**77,439**
#excluding expenses of discontinued operation for the year ended March 31, 2021: ₹ Nil (March 31, 2020: ₹ Nil; March 31, 2019: ₹ 68)			
Restated loss before share of profit/ (loss) of associates / joint ventures, exceptional items and tax	**(15,962)**	**(25,975)**	**(41,642)**
Share of restated profit / (loss) of associates / joint ventures	(740)	(560)	146
Restated loss before exceptional items and tax from continuing operations	**(16,702)**	**(26,535)**	**(41,496)**
Exceptional items	(281)	(3,047)	(825)
Restated loss before tax from continuing operations	**(16,983)**	**(29,582)**	**(42,321)**
Income Tax expense			
Current tax	34	16	6
Deferred tax expense/ (credit)	(7)	(174)	(71)
Total tax expense	**27**	**(158)**	**(65)**
Restated loss for the year from continuing operations	**(17,010)**	**(29,424)**	**(42,256)**
Restated Loss for the year from discontinued operations	**-**	**-**	**(53)**
Restated Loss for the year	**(17,010)**	**(29,424)**	**(42,309)**
Restated Total Other Comprehensive Income/ (Loss) for the year	**(30)**	**(9)**	**(46)**
Restated Total Comprehensive Income/ (Loss) for the year	**(17,040)**	**(29,433)**	**(42,355)**

Restated Consolidated Statement of Cash Flows
(Amounts in ₹ million, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities:			
Restated loss before tax from			
Continuing operations	**(16,983)**	**(29,582)**	**(42,321)**
Discontinued operations	**-**	**-**	**(53)**
Adjustments for			
Depreciation and amortization expense	1,785	1,745	1,116
Interest income	(2,229)	(593)	(646)
Interest Income on unwinding of discount - financial assets measured at amortized cost	(218)	(334)	(457)
Interest on borrowing at amortized cost	216	253	107
Interest and finance charges on lease liabilities	123	218	217
Gain on lease termination	(50)	-	-
Stock acquisition rights (PayPay Corporation)	(221)	-	-
Trade receivables / advances written off	67	18	16
Provision for advances	19	65	18
Loss allowance for financial assets	428	320	310
(Gain) / loss on sale of investment in associates and subsidiaries	(19)	103	(422)
Liabilities / provision no longer required written back	(30)	(51)	(59)
Provision for impairment of investments in associates	300	100	46
Property, plant and equipment and intangible assets written off	3	2	223
Impairment of goodwill and Intangible on acquisition	-	2,844	1,201
Non-cash employee share based payment expenses	1,125	1,661	1,546
Provision for employee incentive	67	467	(98)
Share of restated profit / (loss) of associates / joint ventures	740	560	(146)
Fair value gain on financial instruments measured at FVTPL (net)	(899)	(1,353)	(2,189)
Profit on sale of property, plant and equipment (net)	(18)	(12)	(10)
Operating loss before working capital changes	**(15,794)**	**(23,569)**	**(41,601)**
Working capital adjustments:			
Increase/(decrease) in trade payables	(33)	(1,199)	2,845
Increase/(decrease) in provisions	(85)	212	117
Increase /(decrease) in other current liabilities and contract liabilities	(273)	3,496	4,577
Increase/(decrease) in other financial liabilities	2,669	(4,771)	4,494
(Increase)/decrease in trade receivables	(612)	(745)	2,248
(Increase)/decrease in other financial assets	(5,737)	2,134	(6,289)
(Increase)/decrease in other current and non-current assets	(2,729)	1,472	(8,481)
(Increase)/decrease in loans	(102)	(531)	(834)
Cash used in operations	**(22,696)**	**(23,501)**	**(42,924)**
Income taxes (net of refunds)	1,871	(265)	(1,835)
Net cash (outflow) from operating activities (A)	**(20,825)**	**(23,766)**	**(44,759)**
Cash flow from/(used in) investing activities			
Purchase of property, plant and equipment including intangible assets, work in progress and capital advances	(1,927)	(1,907)	(1,773)
Proceeds from sale of property, plant and equipment	56	41	24
Proceeds from sale of gaming business	-	-	339
Acquisition of subsidiaries (net of cash acquired)	-	-	(14)
Investment in bank deposits	(21,534)	(14,427)	(2,187)
Maturity of bank deposits	10,419	1,128	2,585
Proceeds from repayment of inter corporate loans	5	2,522	-
Inter corporate loans given	(1,608)	-	(2,742)
Investments in joint ventures and associates	(87)	(1,457)	(593)
Proceeds from sale of non current investments	1,036	7	7,504
Proceeds from sale of current investments	99,456	73,352	48,294
Payment for purchase of investments	(67,468)	(79,603)	(32,963)
Interest received	950	381	636
Net cash inflow / (outflow) from investing activities (B)	**19,298**	**(19,963)**	**19,110**

Restated Consolidated Statement of Cash Flows
(Amounts in ₹ million, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from/(used in) financing activities			
Proceeds from issue of shares	107	50,540	21,893
Share issue expenses	-	(140)	(24)
Share application money received during the year	2	-*	-
Acquisition of non controlling interests	(63)	(80)	(369)
Repayment of borrowings on acquisition of subsidiaries	-	-	(31)
Repayment of term loan	(729)	(606)	-
Repayment of other borrowings	(6)	-	-
Net change in working capital demand loan	(847)	1,282	-
Interest paid	(339)	(470)	(314)
Proceeds from loan	-	1,364	-
Principal elements of lease payments	(346)	(291)	(50)
Net cash inflow / (outflow) from financing activities (C)	**(2,221)**	**51,599**	**21,105**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(3,748)**	**7,870**	**(4,544)**
Cash and cash equivalent at the beginning of the year	4,162	(3,701)	897
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	40	(7)	(54)
Cash and cash equivalent at the end of the year	**454**	**4,162**	**(3,701)**

Cash and cash equivalents as per above comprises of following	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Cash and cheque on hand	1	34	1
Balance with banks			
- On current accounts	2,606	4,025	3,041
- Deposits with original maturity of less than 3 months	2,861	173	213
Cash and cash equivalents	**5,468**	**4,232**	**3,255**
Bank overdraft	(5,014)	(70)	(6,956)
Total cash and cash equivalents	**454**	**4,162**	**(3,701)**

** Amount below rounding off norms adopted by the Group*

GENERAL INFORMATION

Our Company was incorporated as "One 97 Communications Private Limited", a private limited company under the Companies Act, 1956, at New Delhi, pursuant to a certificate of incorporation dated December 22, 2000 issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi. Subsequently, the name of our Company was changed to "One 97 Communications Limited", pursuant to a fresh certificate of incorporation dated May 12, 2010 issued by the Deputy Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi. For further details in relation to the change in the name and registered office of our Company, see "***History and Certain Corporate Matters***" on page 205.

Registration Number: 108985

Corporate Identity Number: U72200DL2000PLC108985

Registered Office
First Floor, Devika Tower
Nehru Place, New Delhi 110 019
India

Corporate Office
B-121, Sector 5, Noida
Uttar Pradesh 201 301
India

Tel: +91 11 2628 0280
Website: www.paytm.com

Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies, National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019, India
Telephone: +91 11 2623 5703

Board of Directors

Details regarding our Board as on the date of this Draft Red Herring Prospectus are set forth below:

Name and Designation	DIN	Address
Mr. Vijay Shekhar Sharma *Designation:* Managing Director and Chief Executive Officer	00466521	S-491, Second Floor, Block-S, Greater Kailash 2, Delhi 110048, India
Mr. Douglas Feagin *Designation:* Additional Director(1)	07868696	10605, Fife Avenue, Vero Beach, Florida 32963, United States of America
Mr. Munish Varma *Designation:* Non-Executive Director(2)	02442753	36, Hamilton Terrace, St. John Wood, London, United Kingdom
Mr. Ravi Chandra Adusumalli *Designation:* Non-Executive Director(3)	00253613	1045, Quarry Mountain Lane Park City, Utah, United States of America
Mr. Mark Schwartz *Designation:* Independent Director	07634689	453 Harris Road, Bedford Hills, New York 10507, United States of America
Ms. Pallavi Shardul Shroff *Designation:* Independent Director	00013580	S-270, Greater Kailash Part-II, Delhi – 110048, India
Mr. Ashit Lilani *Designation*: Independent Director (Additional Director)	00766821	3786 Grove Avenue, Palo Alto, California 94303 United States

Name and Designation	DIN	Address
Mr. Neeraj Arora *Designation:* Independent Director (Additional Director)	07221836	190, Island Dr Palo Alto, California, 94301, United States of America

(1) *Nominee of Antfin (Netherlands) Holding B.V.*
(2) *Nominee of SVF.*
(3) *Nominee of SAIF and Elevation Capital, collectively.*

For further details of our Directors, see ***"Our Management"*** on page 229.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI at cfddil@sebi.gov.in in accordance with SEBI circular dated March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing –CFD*"; and will be filed with SEBI's electronic platform at https://siportal.sebi.gov.in, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and Regulation 25(8) of the SEBI ICDR Regulations.

Company Secretary and Compliance Officer

Mr. Amit Khera is our Company Secretary and Compliance Officer. His contact details are as follows:

Mr. Amit Khera
First Floor, Devika Tower
Nehru Place, New Delhi 110 019
India
Tel: +91 120 4770770
E-mail: compliance.officer@paytm.com

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the JGC-BRLMs and the BRLMs.

All Offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the JGC-BRLMs and the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Joint Global Co-ordinators and Book Running Lead Managers

Morgan Stanley India Company Private Limited
18th Floor, Tower 2, One World Center
Plot- 841, Jupiter Textile Mill Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013, Maharashtra

Tel: +91 22 6118 1770
E-mail: one97_ipo@morganstanley.com
Website: www.morganstanley.com
Investor grievance e-mail: investors_india@morganstanley.com
Contact person: Nikita Giria

Goldman Sachs (India) Securities Private Limited
951-A, Rational House, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025, Maharashtra, India
Tel: +91 22 6616 9000
E-mail: paytmipo@gs.com
Website: www.goldmansachs.com
Investor grievance e-mail: india-client-support@gs.com
Contact person: Chirag Jasani

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: + 91 22 4325 2183
E-mail: one97cl.ipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance e-mail: complaints@axiscap.in
Contact person: Pavan Naik

Book Running Lead Managers

ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, Maharashtra **Tel:** +91 22 2288 2460 **E-mail:** paytm.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor grievance e-mail:** customercare@icicisecurities.com **Contact person:** Shekher Asnani	**J.P. Morgan India Private Limited** J.P. Morgan Tower, Off CST Road Kalina, Santacruz East, Mumbai 400 098, Maharashtra, India **Tel:** +91 22 6157 3000 **E-mail**: PAYTM_IPO@jpmorgan.com **Website**: www.jpmipl.com **Investor grievance e-mail:** investorsmb.jpmipl@jpmorgan.com **Contact person:** Saarthak K Soni
Citigroup Global Markets India Private Limited 1202, 12th Floor, First International Financial Centre G-Block, C54 & 55, Bandra Kurla Complex, Bandra (East) Mumbai 400 098, Maharashtra, India **Tel:** +91 22 6175 9999 **E-mail:** paytmipo@citi.com **Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm **Investor grievance e-mail:** investors.cgmib@citi.com **Contact person:** Karan Singh Hundal	**HDFC Bank Limited** Investment Banking Group Unit No. 401 & 402, 4th Floor Tower B, Peninsula Business Park, Lower Parel Mumbai 400 013, Maharashtra, India **Tel:** +91 22 3395 8233 **E-mail:** paytm.ipo@hdfcbank.com **Website:** www.hdfcbank.com **Investor grievance e-mail:** investor.redressal@hdfcbank.com **Contact person:** Ravi Sharma / Harsh Thakkar

The responsibilities and coordination by the JGC-BRLMs and BRLMs for various activities in this Offer are as follows:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the non-business sections of Draft Red Herring Prospectus, Red Herring	JGC-BRLMs and BRLMs	Axis

Sr. No.	Activity	Responsibility	Co-ordination
	Prospectus, Prospectus, abridged prospectus and application form. The JGC-BRLMs and BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing		
2.	Positioning Strategy, drafting of business section, industry section and MD&A of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus	JGC-BRLMs and BRLMs	Morgan Stanley
3.	Drafting and approval of statutory advertisements	JGC-BRLMs and BRLMs	Axis
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	JGC-BRLMs and BRLMs	J.P. Morgan
5.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Offer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	JGC-BRLMs and BRLMs	Axis
6.	Finalizing various agreements including issue agreement, underwriting agreement, offering, syndicate, escrow and other agreements	JGC-BRLMs and BRLMs	Axis
7.	Preparation of road show marketing presentation and frequently asked questions	JGC-BRLMs and BRLMs	Morgan Stanley
8.	International Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing international road show and investor meeting schedule	JGC-BRLMs and BRLMs	Morgan Stanley, Goldman Sachs
9.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	JGC-BRLMs and BRLMs	Axis
10.	Retail and Non-Institutional marketing of the Offer, which will cover, inter alia: • Formulating marketing strategies, preparation of publicity budget; • Finalizing media, marketing and public relations strategy; • Finalizing centres for holding conferences for brokers, etc.; • Finalizing collection centres; and • Deciding on the quantum of the offer material and follow-up on distribution of publicity and offer material	JGC-BRLMs and BRLMs	Axis, I-Sec
11.	Managing the book and finalization of pricing in consultation with the Company and the Investor Selling Shareholders.	JGC-BRLMs and BRLMs	Morgan Stanley
12.	Coordination with Stock-Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit and release of the security deposit post closure of the issue, anchor co-ordination and intimation of anchor allocation.	JGC-BRLMs and BRLMs	J.P. Morgan
13.	Post-Issue activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholder and coordination with various agencies connected with the post-Issue activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the final post Offer report to SEBI	JGC-BRLMs and BRLMs	I-Sec

Syndicate Members

[●]

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Estate Phase III
New Delhi 110 020, India
Tel: +91 11 4159 0700

Legal Counsel to the JGC-BRLMs and the BRLMs as to Indian Law

Khaitan & Co
One World Centre
10th and 13th Floors, Tower 1C
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

International Legal Counsel to the Company

Latham & Watkins LLP
9 Raffles Place
#42-02 Republic Plaza
Singapore 048619
Tel: +65 6536 1161

International Legal Counsel to the JGC-BRLMs and the BRLMs

Shearman & Sterling LLP
21st Floor, Gloucester Tower,
The Landmark,
15 Queen's Road Central,
Hong Kong
Tel: +852 2978 8000

Indian Legal counsel to Alibaba.com Singapore E-Commerce Private Limited

Trilegal
311 B
DLF South Court, Saket
New Delhi – 110017
Tel: +91 11 4163 9393

Indian Legal counsel to Antfin (Netherlands) Holding B.V.

Trilegal
Peninsula Business Park, 17th Floor, Tower B
Ganpat Rao Kadam Marg, Lower Parel (West)
Mumbai - 400 013
Maharashtra, India
Tel: +91 22 4079 1000

Indian Legal counsel to BH International Holdings

Algo Legal
8th Floor, SN Towers
25/2, Mahatma Gandhi Rd
Craig Park Layout, Ashok Nagar
Bengaluru, Karnataka 560001
Tel: 080 4566 6555

Indian Legal Counsel to the Other Selling Shareholders

J. Sagar Associates
Sandstone Crest
Opposite Park Plaza Hotel
Sushant Lok –1
Sector 43, Gurugram 122 009
Tel: +91 124 4390 600

Legal Counsel to SAIF and Elevation Capital as to Indian Law

IndusLaw
2nd Floor, Block D
The MIRA, Mathura Road
New Delhi 110 065
Tel: +91 11 4782 1000

International Legal Counsel to SVF Panther (Cayman) Limited

Morrison & Foerster LLP
The Scalpel, 52 Lime Street,
London, United Kingdom EC3M 7AF
Tel: +44 (0)20 7920 4000

Indian Legal Counsel to SVF Panther (Cayman) Limited

Cyril Amarchand Mangaldas
5th floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Tel: +91 22 2496 4455

Registrar to the Offer

Link Intime India Private Limited
C-101, 247 Park
L.B.S. Marg, Vikhroli (West)
Mumbai 400 083, Maharashtra
Tel: +91 022 4918 6200
E-mail: paytm.ipo@linkintime.co.in
Investor Grievance E- mail: paytm.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Bankers to the Offer

[●]

Escrow Collection Bank(s)

[●]

Public Offer Account Bank

[●]

Refund Bank

[●]

Sponsor Bank

[●]

Statutory Auditors to our Company

Price Waterhouse Chartered Accountants LLP
Building 8, 8th Floor
Tower B, DLF Cyber City
Gurgaon 122 002
Haryana, India
Telephone: +91 124 462 0000
E-mail: amitesh.dutta@pwc.com
ICAI Firm Registration Number: 012754N/N500016
Peer Review Number: 012639

Changes in Auditors

There have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Bankers to our Company

Citi Bank N.A.
9th Floor, DLF Square Building
Jacaranda Marg, DLF Phase 2
Gurgaon 122002, Haryana
Tel: +91 124 497 7622
Contact person: Ravi Sattavan
E-mail: ravi.sattavan@citi.com
Website: www.citibank.co.in

ICICI Bank Limited
K-1, Senior Mall Sec 18
Noida 201301, Uttar Pradesh
Tel: +91 7042297911
Contact person: Amulpreet Singh
E-mail: amulpreet.singh@icicibank.com
Website: www.icicibank.com

Paytm Payments Bank Limited
Paytm Payments Bank Ltd,
6th Floor, V J Tower, Sector 125
Noida, Uttar Pradesh 201303
Tel: +0120 4818901
Contact person: Bhagyesh Vyas (Operations)
E-mail: Bhagyesh1.vyas@paytmbank.com
Website: www.paytmbank.com

Designated Intermediaries

Self Certified Syndicate Banks

The list of SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor and RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https:// www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) which may be updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors and RIBs using the UPI Mechanism) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35. The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time.

Grading of the Offer

No credit agency registered with SEBI has been appointed for grading for the Offer.

Monitoring Agency

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of the SEBI ICDR Regulations.

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 15, 2021 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated July 14, 2021 on our Restated Financial Statements in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act, as amended.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture trustees

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Board or the IPO Committee, as applicable, and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, and the minimum Bid lot, which will be decided by our Board or the IPO Committee, as applicable, and the Investor Selling Shareholders in consultation with the JGC-BRLMs and the BRLMs, and advertised in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Board or the IPO Committee, as applicable, and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and BRLMs, after the Bid/Offer Closing Date.

All Investors (other than Anchor Investors) shall mandatorily participate in this Offer only through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/ Offer Period. Except Allocation to Retail Individual Bidders and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. For further details on method and process of Bidding, see "***Offer Procedure***" and "***Offer Structure***" on page 448 and 445, respectively.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Investors should note the Offer is also subject to (i) final approval of the ROC after the Prospectus is filed with the ROC and (ii) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

Details of price discovery and allocation

For details on price discovery and allocation, see ***"Offer Procedure"*** on page 448.

Underwriting Agreement

After the determination of the Offer Price, but prior to allocation of Equity Shares and filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The equity share capital of our Company, as of the date of this Draft Red Herring Prospectus, is set forth below:

	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A)	**AUTHORIZED SHARE CAPITAL(1)**		
	1,041,066,000 Equity Shares of face value of ₹ 1 each	1,041,066,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	605,930,140 Equity Shares of face value of ₹ 1 each	605,930,140	-
C)	**OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of [●] Equity Shares of face value of ₹ 1 each aggregating to ₹ 166,000 million(2)(3)(5):	[●]	[●]
	Of which		
	(i) Fresh Issue of [●] Equity Shares of face value of ₹ 1 each(2)(5)	[●]	[●]
	(ii) Offer for Sale of up to [●] Equity Shares of face value of ₹ 1 each(3)	[●]	[●]
	Which includes:		
	Employee Reservation Portion of [●] Equity Shares of face value of ₹ 1 each aggregating to ₹ [●] million (4)	[●]	[●]
	Net Offer of [●] Equity Shares of face value of ₹ 1 each aggregating to ₹ [●] million	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 1 each	[●]	-
E)	**SECURITIES PREMIUM ACCOUNT (*in ₹ million*)**		
	Before the Offer (*as on the date of this Draft Red Herring Prospectus*)		189,760
	After the Offer		[●]

* *Details to be updated basis determination of the Offer Price*

(1) *For details in relation to changes in the authorized share capital of our Company, see "**History and Certain Corporate Matters – Amendments to the Memorandum of Association**" on page 207..*

(2) *The Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on June 14, 2021 and the Shareholders pursuant to a resolution passed at their meeting held on July 12, 2021.*

(3) *The Selling Shareholders have, severally and not jointly, confirmed and authorized their respective participation in the Offer for Sale. For further information, see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on pages 76 and 419, respectively.*

(4) *Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, may offer an Employee Discount of up to [●]% to the Offer Price (equivalent to ₹ [●] per Equity Share), which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.*

(5) *Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.*

Notes to Capital Structure

1. Share Capital History

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
December 28, 2000	Subscription to the Memorandum of Association(1)	20	10	10	Cash
December 11, 2002	Further issue(2)^	9,980	10	10	Cash
March 31, 2004	Further issue(3)^	990,000	10	10	Cash
September 26, 2005	Scheme of amalgamation(4)^	878,980	10	10	Other than cash
November 30, 2005	Bonus issue in the ratio of 18:5(5)	6,764,328	10	N.A.	N.A.
February 15, 2006	Further issue(6)^	1,500,000	10	75	Cash
March 13, 2007	Bonus issue in the ratio of 605:200(7)^	3,353,000	10	N.A.	N.A.
March 29, 2007	Further issue(8)^	4,948,106	10	47.85	Cash
March 30, 2007	Further issue(9)^	449,828	10	47.80	Cash

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
June 30, 2008	Conversion of 1,006,348 compulsorily convertible preference shares of face value of ₹10 each into 2,012,696 equity shares of ₹10 each in the ratio of 1:2 (10)				Cash
October 3, 2008	Further issue(11)^	1,925,571	10	10	Cash
April 7, 2010	Exercise of stock options(12)	2,106	10	10	Cash
		601	10	49	Cash
October 14, 2010	Conversion of 2,758,621 preference shares of face value of ₹174 each into 2,758,621 equity shares of₹10 each in the ratio of 1:1 (13)				Cash
September 12, 2011	Exercise of stock options(14)	5,858	10	10	Cash
	Exercise of stock options(15)	1,920	10	49	Cash
	Further issue(16)	1,002,669	10	433.75	Cash
March 30, 2012	Exercise of stock options(17)	1,050	10	180	Cash
	Exercise of stock options(18)	3,578	10	49	Cash
	Exercise of stock options(19)	2,353	10	10	Cash
November 2, 2012	Exercise of stock options(20)	2,000	10	180	Cash
	Exercise of stock options(21)	4,818	10	10	Cash
July 26, 2013	Exercise of stock options(22)	2,067	10	10	Cash
January 31, 2014	Exercise of stock options(23)	964	10	10	Cash
January 10, 2015	Preferential allotment(24)	473,094	10	1,316.86	Cash
February 10, 2015	Preferential allotment(25)	3,075,113	10	1,303.12	Cash
March 21, 2015	Exercise of stock options(26)	60,834	10	180	Cash
March 31, 2015	Preferential allotment(27)	7,500	10	1,332	Cash
April 24, 2015	Exercise of stock options(28)	29,861	10	180	Cash
April 30, 2015	Preferential allotment(29)	6,389,273	10	1,336.63	Cash
June 10, 2015	Exercise of stock options(30)	10,000	10	180	Cash
July 24, 2015	Exercise of stock options(31)	6,350	10	90	Cash
	Exercise of stock options(32)	871	10	49	Cash
October 9, 2015	Exercise of stock options(33)	6,000	10	90	Cash
	Exercise of stock options(34)	11,036	10	10	Cash
	Exercise of stock options(35)	1,500	10	180	Cash
October 21, 2015	Preferential allotment (36)	3,943,494	10	3,289.22	Cash
November 3, 2015	Preferential allotment (37)	5,520,892	10	3,317.36	Cash
January 30, 2016	Exercise of stock options(38)	19,600	10	180	Cash
	Exercise of stock options(39)	47,300	10	90	Cash
	Exercise of stock options(40)	9,000	10	10	Cash
April 19, 2016	Exercise of stock options(41)	2,365	10	49	Cash
July 29, 2016	Preferential allotment(42)	5,000	10	3,300	Cash
September 12, 2016	Preferential allotment(43)	606,668	10	6,563.31	Cash
September 30, 2016	Preferential allotment(44)	2,500	10	3,300	Cash
October 21, 2016	Exercise of stock options(45)	10,686	10	90	Cash
	Exercise of stock options(46)	9,314	10	180	Cash
	Exercise of stock options(47)	200	10	10	Cash
January 24, 2017	Exercise of stock options(48)	348	10	90	Cash
	Exercise of stock options(49)	918	10	49	Cash
	Exercise of stock options(50)	500	10	180	Cash
March 8, 2017	Exercise of stock options(51)	9,500	10	10	Cash
	Exercise of stock options(52)	28,914	10	49	Cash
	Exercise of stock options(53)	54,222	10	90	Cash
	Exercise of stock options(54)	26,686	10	180	Cash
April 28, 2017	Exercise of stock options(55)	850	10	10	Cash
	Exercise of stock options(56)	856	10	49	Cash
	Exercise of stock options(57)	20,941	10	90	Cash
	Exercise of stock options(58)	1,325	10	180	Cash
June 10, 2017	Exercise of stock options(59)	1,818	10	90	Cash
August 5, 2017	Preferential allotment(60)	1,618,032	10	7,858.01	Cash
	Exercise of stock options(61)	1,664	10	10	Cash
	Exercise of stock options(62)	556	10	49	Cash
	Exercise of stock options(63)	2,626	10	90	Cash
October 15, 2017	Exercise of stock options(64)	4,783	10	49	Cash
	Exercise of stock options(65)	360	10	90	Cash
	Exercise of stock options(66)	195	10	180	Cash
November 7, 2017	Preferential allotment(67)	6,472,127	10	7,988.79	Cash
December 18, 2017	Exercise of stock options(68)	30,107	10	10	Cash
	Exercise of stock options(69)	53,305	10	49	Cash
	Exercise of stock options(70)	86,621	10	90	Cash
	Exercise of stock options(71)	23,000	10	180	Cash
February 2, 2018	Exercise of stock options(72)	15,452	10	90	Cash
May 18, 2018	Exercise of stock options(73)	418	10	49	Cash
	Exercise of stock options(74)	26,237	10	90	Cash

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
	Exercise of stock options(75)	964	10	10	Cash
May 26, 2018	Preferential allotment(76)	10,000	10	8,000	Cash
June 9, 2018	Preferential allotment(77)	116,001	10	10,560	Other than cash
August 17, 2018	Exercise of stock options(78)	1,983	10	90	Cash
September 27, 2018	Preferential allotment(79)	1,702,713	10	12,797.46	Cash
December 14, 2018	Exercise of stock options(80)	41,549	10	90	Cash
February 21, 2019	Preferential allotment(81)	217,034	10	7,952.02	Other than cash
	Exercise of stock options(82)	1,386	10	90	Cash
	Exercise of stock options(83)	58,783	10	90	Cash
	Exercise of stock options(84)	945	10	49	Cash
	Exercise of stock options(85)	3,683	10	10	Cash
	Exercise of stock options(86)	10,269	10	180	Cash
March 1, 2019	Exercise of stock options(87)	16,630	10	90	Cash
May 16, 2019	Exercise of stock options(88)	33,153	10	90	Cash
	Exercise of stock options(89)	3,844	10	10	Cash
June 6, 2019	Exercise of stock options(90)	35,434	10	90	Cash
September 4, 2019	Exercise of stock options(91)	44,886	10	90	Cash
December 6, 2019	Preferential allotment(92)	785,597	10	18,241.14	Cash
	Preferential allotment(93)	98,200	10	18,169.55	Cash
	Preferential allotment(94)	98,200	10	18,202.07	Cash
	Preferential allotment(95)	78,560	10	18,202.09	Cash
	Preferential allotment(96)	589,198	10	18,244.94	Cash
	Preferential allotment(96)	785,597	10	18,202.16	Cash
	Preferential allotment(96)	58,920	10	18,202.05	Cash
	Preferential allotment(96)	98,200	10	18,232.94	Cash
December 13, 2019	Preferential allotment(97)	39,280	10	18,049.86	Cash
	Exercise of stock options(98)	3,521	10	90	Cash
February 4, 2020	Preferential allotment(99)	141,392	10	18,198.99	Cash
March 11, 2020	Exercise of stock options(100)	7,177	10	90	Cash
May 22, 2020	Exercise of stock options(101)	2,390	10	90	Cash
August 28, 2020	Exercise of stock options(102)	5,379	10	90	Cash
November 20, 2020	Preferential allotment(103)	5,000	10	18,768	Cash
December 18, 2020	Exercise of stock options(104)	28,968	10	90	Cash
February 25, 2021	Exercise of stock options(105)	5,642	10	90	Cash
April 25, 2021	Exercise of stock options(106)	9,081	10	90	Cash
May 28, 2021	Exercise of stock options(107)	40,042	10	90	Cash
	Exercise of stock options(108)	5,000	10	180	Cash
	Exercise of stock options(109)	2,000	10	10	Cash
Pursuant to shareholders' resolution dated June 30, 2021 each equity share of our Company of face value of ₹10 each was split into 10 Equity Shares of face value of ₹ 1 each. Therefore the issued, paid-up and subscribed share capital of our Company was sub-divided from ₹605,385,270 divided into 60,538,527 equity shares of ₹10 each into ₹605,385,270 divided into 605,385,270 Equity Shares of ₹1 each					
July 5, 2021	Exercise of stock options(110)	514,570	1	9	Cash
	Exercise of stock options(111)	30,300	1	1	Cash

^The resolution(s) passed by our Board and/or Shareholders in relation to such allotment of equity shares of our Company is untraceable.

(1) *10 equity shares were allotted to each of Mr. Vijay Shekhar Sharma and Mr. Rakesh Shukla*

(2) *9,800 equity shares were allotted to Mr. Vijay Shekhar Sharma*

(3) *200,000 equity shares were allotted to Mr. Peeyush Kumar Aggarwal, 594,000 equity shares were allotted to Mr. Vijay Shekhar Sharma and 196,000 equity shares were allotted to Omkam Finvest Private Limited*

(4) *Allotment of 351,592 equity shares to Mr. Peeyush Kumar Aggarwal and 527,388 equity shares to Mr. Vijay Shekhar Sharma as shareholders of the erstwhile Worldwide Computer Services Private Limited ("**WCSPL**"), pursuant to the scheme of amalgamation of WCSPL with our Company, which was approved by the High Court of Delhi by its order dated August 24, 2005. On filing of a certified copy of the order with the RoC, the scheme of amalgamation became operational retrospectively with effect from April 1, 2004*

(5) *Bonus issuance of 2,705,731 equity shares to Mr. Peeyush Kumar Aggarwal and 4,058,597 equity shares to Mr. Vijay Shekhar Sharma pursuant to capitalisation of ₹ 67,643,280 out of the profit and loss account of our Company*

(6) *1,500,000 equity shares were allotted to M/s. Cyberlogy (India) Private Limited*

(7) *Bonus issuance of 1,341,200 equity shares to Mr. Peeyush Kumar Aggarwal and 2,011,800 equity shares to Mr. Vijay Shekhar Sharma pursuant to capitalisation of ₹ 33,530,000 out of the profit and loss account of our Company*

(8) *4,948,106 equity shares were allotted to SAIF III Mauritius Company Limited*

(9) 449,828 equity shares were allotted to SVB Financial Group

(10) 1,844,972 equity shares and 167,724 equity shares were issued to SAIF III Mauritius Company Limited and SVB India Capital Partners I, L.P. pursuant to conversion of 922,486 compulsorily convertible preference shares and 83,862 compulsorily convertible preference shares held by each of them, respectively. However, the entire consideration for such equity shares (issued pursuant to such conversion) was paid at the time of issuance of such compulsorily convertible preference shares on December 28, 2007

(11) 1,925,571 equity shares were allotted to Mr. Vijay Shekhar Sharma

(12) 101 equity shares were allotted to Mr. Kranthi Chaitanya Pulluru, 2,106 equity shares were allotted to Ms. Ritu Agarwal, 400 equity shares were allotted to Mr. Vikas Garg and 100 equity shares were allotted to Mr. Sanjeev Garg

(13) 275,862 equity shares and 2,482,759 equity shares were issued to SVB India Capital Partners I, L.P. and Intel Capital (Mauritius) Limited pursuant to conversion of 275,862 compulsorily convertible preference shares and 2,482,759 compulsorily convertible preference shares held by each of them, respectively. However, the entire consideration for such equity shares (issued pursuant to such conversion) was paid at the time of issuance of such compulsorily convertible preference shares on December 22, 2008

(14) 110 equity shares were allotted to Mr. Prashant Gupta and 5,748 equity shares were allotted Mr. Anand Shankar

(15) 92 equity shares were allotted to Ms. Aarohi Sharma, 87 equity shares were allotted to Mr. Nandan Kumar Nidhi, 211 equity shares were allotted to Mr. Vaibhav Agawal and 1,530 equity shares were allotted to Mr. Vipin Satija

(16) 1,002,669 equity shares were allotted to SAPV (Mauritius)

(17) 1,000 equity shares were allotted to Mr. Rajesh Ghonasgi and 50 equity shares were allotted to Mr. Sachin Singhal

(18) 55 equity shares were allotted to Mr. Pradeep Singh, 2,000 equity shares were allotted to Mr. Vineet Arora and 1,523 equity shares were allotted to Mr. Chirag Kirit Gandhi

(19) 1,153 equity shares were allotted to Ms. Renu Satti and 1,200 equity shares were allotted to Mr. Mayank Prabhakar

(20) 2,000 equity shares were allotted Mr. Rajesh Ghonasgi

(21) 578 equity shares were allotted to Mr. Goldy Khanna, 662 equity shares were allotted to Mr. Rajat Sharma, 3,000 equity shares were allotted to Mr. Manjeet Singh and 578 equity shares were allotted to Mr. Anupam Jain

(22) 1,103 equity shares were allotted to Ms. Garima Jain and 964 equity shares were allotted to Mr. Ashish Chhabra

(23) 964 equity shares were allotted Mr. Kapil Kapoor

(24) 473,094 equity shares were allotted to SAIF Partners India V Ltd.

(25) 3,075,113 equity shares were allotted to Alipay Singapore E-Commerce Private Limited

(26) 60,834 equity shares were allotted to Mr. Pratyush Prasanna

(27) 7,500 equity shares were allotted to RNT Associates Private Limited

(28) 11,611 equity shares were allotted to Mr. Lokesh Chauhan and 18,250 equity shares were allotted to Mr. Parag Arora

(29) 6,389,273 equity shares were allotted to Alipay Singapore E-Commerce Private Limited

(30) 10,000 equity shares were allotted to Mr. Kunal Bajaj

(31) 590 equity shares were allotted to Mr. Rishi Gupta, 1,170 equity shares were allotted to Mr. Vijay Thakral, 4,000 equity shares were allotted to Mr. Shankar Nath and 590 equity shares were allotted to Mr. Pawan Pathak

(32) 871 equity shares were allotted to Mr. Rishi Gupta

(33) 6,000 equity shares were allotted to Mr. Shankar Nath

(34) 11,036 equity shares were allotted to Mr. Samir Gupta

(35) 1,500 equity shares were allotted to Mr. Parag Arora

(36) 3,943,494 equity shares were allotted to Alibaba.com Singapore E-Commerce Private Limited

(37) 5,520,892 equity shares were allotted to Alipay Singapore E-Commerce Private Limited

(38) 19,600 equity shares were allotted to Mr. Harinder Pal Singh Takhar

(39) *8,000 equity shares were allotted to Mr. Shankar Nath, 4,200 equity shares were allotted to Mr. Kiran Kalyan Vasireddy and 35,100 equity shares were allotted to Mr. Amit Lakhotia*

(40) *3,000 equity shares were allotted to Ms. Smita Rajan and 6,000 equity shares were allotted to Ms. Renu Satti*

(41) *2,000 equity shares were allotted to Mr. Rachit Malhotra and 365 equity shares were allotted to Mr. Rishi Dev Thapar*

(42) *2,500 equity shares were allotted each to Mr. Naveen Tewari and Mr. Neeraj Arora*

(43) *606,668 equity shares were allotted to Mountain Capital Fund, L.P.*

(44) *2,500 equity shares were allotted to Ms. Ruchi Sanghvi*

(45) *10,686 equity shares were allotted to Mr. Kiran Kalyan Vasireddy*

(46) *9,314 equity shares were allotted to Mr. Kiran Kalyan Vasireddy*

(47) *200 equity shares were allotted to Mr. Vishal Sharma*

(48) *82 equity shares were allotted to Mr. Shushant Bahadur and 266 equity shares were allotted to Ms. Saloni Malhotra*

(49) *918 equity shares were allotted to Ms. Ritu Nigam*

(50) *500 equity shares were allotted to Mr. Rajesh Chadha*

(51) *5,000 equity shares were allotted to Mr. Abhay Sharma, 4,000 equity shares were allotted to Mr. Saurabh Gupta and 500 equity shares were allotted to Mr. Gaurav Jaiswal*

(52) *10, 000 equity shares were allotted to Mr. Ahmer Nadeem, 3,000 equity shares were allotted to Mr. Ajay Shekhar Sharma, 1,010 equity shares were allotted to Mr. Nagainder Singh, 705 equity shares were allotted to Mr. Parveen Dalal, 556 equity shares were allotted to Mr. Jugal Kishore, 12,272 equity shares were allotted to Mr. Rahul Saini, 500 equity shares were allotted to Mr. Rahul Kashyap and 871 equity shares were allotted to Mr. Bhaskar Gupta*

(53) *10,000 equity shares were allotted to Mr. Shankar Nath, 7,986 equity shares were allotted to Mr. Vikas Garg, 3,195 equity shares were allotted to Mr. Kumar Aditya, 3,000 equity shares were allotted to Mr. Amit Bagaria, 3,194 equity shares were allotted to Mr. Saurabh Vashishtha, 3,000 equity shares were allotted to Mr. Sudhanshu Gupta, 2,000 equity shares were allotted to Mr. Adam Muise, 1,770 equity shares were allotted to Ms. Prerna Kalra, 1,335 equity shares were allotted to Mr. Nitin Mishra, 532 equity shares were allotted to Mr. Shashank Bajaj, 500 equity shares were allotted to Mr. Sumit Somani, 500 equity shares were allotted to Mr. Nehul Malhotra, 383 equity shares were allotted to Mr. Puneet Jain, 336 equity shares were allotted to Mr. Varun Gupta, 186 equity shares were allotted to Mr. Suminder Pal Singh, 167 equity shares were allotted to Mr. Anshul Singhal, 97 equity shares were allotted to Mr. Ashutosh Kumar, 91 equity shares were allotted to Mr. Manish Baser, 78 equity shares were allotted to Mr. Anil Garg, 78 equity shares were allotted to Mr. Krishna Rathi, 61 equity shares were allotted to Mr. Abhishek Bagga, 100 equity shares were allotted to Mr. Mukesh Saxena, 181 equity shares were allotted to Mr. Siddharth Pandey, 266 equity shares were allotted to Mr. Narendra Singh Yadav, 75 equity shares were allotted to Mr. Priyesh Ranjan, 80 equity shares were allotted to Ms. Neha Aggarwal, 456 equity shares were allotted to Mr. Bishnu Prasad Pandey, 85 equity shares were allotted to Mr. Nilesh Kumar Singh, 5,000 equity shares were allotted to Mr. Ripunjai Gaur, 84 equity shares were allotted to Mr. Gaurav Bhushan Sharma, 7,986 equity shares were allotted to Mr. Amit Sinha, 728 equity shares were allotted to Mr. Rahul Saini, 54 equity shares were allotted to Mr. Ahmad Hushsham, 500 equity shares were allotted to Mr. Kshitij Sanghi and 138 equity shares were allotted to Mr. Ankit Bhatnagar*

(54) *20,000 equity shares were allotted to Mr. Kiran Kalyan Vasireddy and 6,686 equity shares were allotted to Mr. Harinder Pal Singh Takhar*

(55) *850 equity shares were allotted to Mr. Akash Deep*

(56) *300 equity shares were allotted to Mr. Sagar Sharma and 556 equity shares were allotted to Mr. Rakhee Jain*

(57) *20,000 equity shares were allotted to Mr. Shankar Nath, 424 equity shares were allotted to Mr. Akshay Khanna, 22 equity shares were allotted to Mr. Gaurav Yadav, 466 equity shares were allotted to Mr. Jaskaran Singh Kapany and 29 equity shares were allotted to Mr. Harsh Kumar*

(58) *1,325 equity shares were allotted to Mr. Rajesh Chadha*

(59) *1,818 equity shares were allotted to Ms. Shinjini Kumar*

(60) *1,618,032 equity shares were allotted to SB Investment Holdings (UK) Limited*

(61) *700 equity shares were allotted to Mr. Amit Sharma and 964 equity shares were allotted to Mr. Parag Goel*

(62) *556 equity shares were allotted to Mr. Kumar Ravi Ranjan*

(63) *125 equity shares were allotted to Mr. Hitesh Mehta, 1,917 equity shares were allotted to Mr. Ankur Malhotra, 182 equity shares were allotted to Mr. Deepansh Jain, 97 equity shares were allotted to Mr. Vidya Bhushan, 63 equity shares were allotted to Mr. Himanshu Sati and 242 equity shares were allotted to Mr. Michael Sunil Messy*

(64) *4,783 equity shares were allotted to Mr. Ahmer Nadeem*

(65) *66 equity shares were allotted to Mr. Kamal Kumar, 66 equity shares were allotted to Mr. Rajesh Chadha, 73 equity shares were allotted to Mr. Vaisakh Nair and 155 equity shares were allotted to Mr. Dileep Kumar M.*

(66) *195 equity shares were allotted to Mr. Rajesh Chadha*

(67) *6,472,127 equity shares were allotted to SVF India Holding (Cayman) Limited*

(68) *1,010 equity shares were allotted to Mr. Abhai Singh, 5,000 equity shares were allotted to Mr. Abhay Sharma, 500 equity shares were allotted to Mr. Amit Kumar Singh, 964 equity shares were allotted to Mr. Amit Kushwaha, 264 equity shares were allotted to Mr. Amit Sharma, 964 equity shares were allotted to Mr. Anisur Rehman, 676 equity shares were allotted to Mr. Bhupal, 464 equity shares were allotted to Mr. Gaurav Jaiswal, 964 equity shares were allotted to Mr. Gaurav Shrivastava, 964 equity shares were allotted to Ms. Harleen Kaur, 964 equity shares were allotted to Mr. Lavi Verma, 1,103 equity shares were allotted to Mr. Rajiv Ranjan Kumar, 1,103 equity shares were allotted to Mr. Sandeep Sharma, 600 equity shares were allotted to Mr. Rajender, 1,103 equity shares were allotted to Mr. Prem Singh, 1,103 equity shares were allotted to Mr. Rahul Mittal, 530 equity shares were allotted to Mr. Saurabh Gupta, 6,036 equity shares were allotted to Ms. Seema Sharma, 1,103 equity shares were allotted to Mr. Shikhar Aggarwal, 2,000 equity shares were allotted to Ms. Smita Rajan, 964 equity shares were allotted to Mr Suraj Singh Rawat, 964 equity shares were allotted to Mr. Vinit Panwar and 764 equity shares were allotted to Mr. Vishal Sharma*

(69) *918 equity shares were allotted to Mr. Abhijeet, 556 equity shares were allotted to Mr. Abhinaw Kunal, 7,010 equity shares were allotted to Mr. Ajay Shekhar Sharma, 646 equity shares were allotted to Mr. Amit Verma, 705 equity shares were allotted to Mr. Ankit Aggarwal, 556 equity shares were allotted to Mr. Arun Singhal, 918 equity shares were allotted to Mr. Ashis Bhattacharyya, 779 equity shares were allotted to Ashish Kumar Singh, 556 equity shares were allotted to Mr. Atul Bhardwaj, 646 equity shares were allotted to Mr. Basant Kumar Pareek, 1,010 equity shares were allotted to Mr. Bhuvnesh Dhingra, 100 equity shares were allotted to Mr. Bishnu Prasad Pandey, 556 equity shares were allotted to Mr. Chandan Sharma, 918 equity shares were allotted to Mr. Chander Mohan, 616 equity shares were allotted to Mr. Deepak Sharma, 556 equity shares were allotted to Mr. Deepak Singh, 918 equity shares were allotted to Mr. Dheeraj Satyarthi, 556 equity shares were allotted to Mr. Dhiraj Kumar, 646 equity shares were allotted to Mr. Faizan, 1,010 equity shares were allotted to Mr. Gaurav Chawla, 779 equity shares were allotted to Mr. Hem Baboo, 646 equity shares were allotted to Ms. Kanchan Harsh, 556 equity shares were allotted to Mr. Kavinder Singh, 918 equity shares were allotted to Mr. Krishnapal Rathore, 918 equity shares were allotted to Mr. Lakshay Khurana, 918 equity shares were allotted to Mr. Lalit Singh, 556 equity shares were allotted to Mr. Manish Kumar Rai, 616 equity shares were allotted to Mr. Manish Singh Rana, 400 equity shares were allotted to Mr. Mukesh Kumar, 500 equity shares were allotted to Ms. Neha Bhardwaj, 300 equity shares were allotted to Ms. Nidhi Vasudeva, 646 equity shares were allotted to Mr. Pankaj Kumar, 556 equity shares were allotted to Mr. Pankaj Kumar Singh, 779 equity shares were allotted to Mr. Paramjeet Singh, 556 equity shares were allotted to Mr. Pawan Sharma, 918 equity shares were allotted to Mr. Prabal Singh, 1,010 equity shares were allotted to Ms. Preeti Chadha, 646 equity shares were allotted to Ms. Priya Goel, 918 equity shares were allotted to Ms. Priyanka Gupta, 918 equity shares were allotted to Mr. Radha Raman Sharma, 918 equity shares were allotted to Mr. Rajan Bhilware, 918 equity shares were allotted to Mr. Rajneesh Parashar, 646 equity shares were allotted to Mr. Ramesh Chand, 918 equity shares were allotted to Mr. Ratnesh Vishwakarma, 918 equity shares were allotted to Mr. Ravindra Malviya, 191 equity shares were allotted to Mr. Rishi Dev Thapar, 556 equity shares were allotted to Mr. Rohit Mehta, 256 equity shares were allotted to Mr. Sagar Sharma, 918 equity shares were allotted to Mr. Santosh Kumar, 918 equity shares were allotted to Mr. Shailendra Pawar, 556 equity shares were allotted to Mr. Sharwan Kumar, 556 equity shares were allotted to Mr. Shashi Prakash, 918 equity shares were allotted to Mr. Shashikant Kumar Shashi, 705 equity shares were allotted to Mr. Sushil Kumar Rawat, 918 equity shares were allotted to Mr. Vinay Kumar Sah, 556 equity shares were allotted to Mr. Vishal Srivastava and 7,709 equity shares were allotted to Mr. Vivek Tyagi*

(70) *400 equity shares were allotted to Mr. Abhishek Bagga, 1,602 equity shares were allotted to Mr. Ajay Shekhar Sharma, 42 equity shares were allotted to Mr. Amit Kr. Patel, 10,000 equity shares were allotted to Mr. Amit Sinha, 152 equity shares were allotted to Mr. Amit Veer, 1,042 equity shares were allotted to Mr. Ankit Gera, 145 equity shares were allotted to Mr. Apurav Chauhan, 196 equity shares were allotted to Mr. Ashutosh Kumar, 355 equity shares were allotted to Mr. Bhuvnesh Dhingra, 455 equity shares were allotted to Mr. Deepak Chawla, 556 equity shares were allotted to Mr. Deepak Kumar, 7,770 equity shares were allotted to Mr. Dushyant Saraswat, 5,220 equity shares were allotted to Mr. Gamandeep Singh, 218 equity shares were allotted to Mr. Gaurav Bhushan Sharma, 76 equity shares were allotted to Mr. Ishan Rishabh Kansal, 999 equity shares were allotted to Mr. Jaskaran Kapany, 10,000 equity shares were allotted to Mr. Kiran Vasireddy, 383 equity shares were allotted to Mr. Krishna Kumar Rathi, 556 equity shares were allotted to Ms. Sajal Bhatnagar, 181 equity shares were allotted to Mr. Manish Baser, 303 equity shares were allotted to Mr. Mayank Chawla, 203 equity shares were allotted to Mr. Mukesh Saxena, 1,008 equity shares were allotted to Mr. Nehul Malhotra, 540 equity shares were allotted to Mr. Nilesh Kumar Singh, 455 equity shares were allotted to Mr. Nishit Sinha, 4,368 equity shares were allotted to Mr. Nitin Misra, 228 equity shares were allotted to Mr. Nitinesh Sharma, 2,088 equity shares were allotted to Mr. Prerna Kalra, 1,069 equity shares were allotted to Mr. Puneet Jain, 220 equity shares were allotted to Mr. Rahul Nagar, 4,300 equity shares were allotted to Mr. Rahul Saini, 64 equity shares were allotted to Mr. Ravindra Malviya, 194 equity shares were allotted to Mr. Sandeep Sharma, 151 equity shares were allotted to Ms. Sangeetha Ragesh, 12,000 equity shares were allotted to Mr. Shankar Nath, 68 equity shares were allotted to Mr. Shefali Sharma, 165 equity shares were allotted to Mr. Shrey Shukla, 546 equity shares were allotted to Mr. Siddharth Pandey, 766 equity shares were allotted to Ms. Sonia Dhawan, 2,700 equity shares were allotted to Mr. Sourabh Sharma, 4,534 equity shares were allotted to Mr. Sudhanshu Gupta, 303 equity shares were allotted to Mr. Varun Khullar and 10,000 equity shares were allotted to Mr. Vikas Garg*

(71) *3,000 equity shares were allotted to Mr. Gamandeep Singh, 19,000 equity shares were allotted to Mr. Harinder Thakar and 1,000 equity shares were allotted to Ms. Roshni Jain*

(72) *151 equity shares were allotted to Ms. Priya Karnik, 60 equity shares were allotted to Mr. Rahul Goyal, 909 equity shares were allotted to Mr. Vikas Aggarwal, 1,696 equity shares were allotted to Mr. Lomesh Dutta, 21 equity shares were allotted to Mr. Soham Kondalkar, 21 equity shares were allotted to Mr. Shivam Verma, 21 equity shares were allotted to Mr. Devendra Gupta, 21 equity shares were allotted to Mr. Prateek Mukhija, 606 equity shares were allotted to Mr. Krishna Hegde, 5,973 equity shares were allotted to Mr. Amit Sinha and 5,973 equity shares were allotted to Mr. Vikas Garg*

(73) *418 equity shares were allotted to Ms. Neha Bhardwaj*

(74) *655 equity shares were allotted to Ms. Neha Bhardwaj, 236 equity shares were allotted to Ms. Alisha Khurana, 151 equity shares were allotted to Ms. Ruchita Aggarwal, 706 equity shares were allotted to Mr. Srikanth Thunga, 21 equity shares were allotted to Mr. Vivek Kumar, 27 equity shares were allotted to Mr. Sourabh Sharma, 3,333 equity shares were allotted to Ms. Prerna Kalra, 49 equity shares were allotted to Mr. Ramprabhu C, 21 equity shares were allotted to Mr. Devesh Yadav, 227 equity shares were allotted to Mr. Danish Ahmed, 75 equity shares were allotted to Mr. Anshu Sharma, 21 equity shares were allotted to Mr. Abhinav Anil, 250 equity shares were allotted to Mr. Saurabh Chandolia, 20,000 equity shares were allotted to Mr. Shankar Nath and 465 equity shares were allotted to Ms. Priya Karnik*

(75) *964 equity shares were allotted to Ms. Vidhushi Fotedar*

(76) *5,000 equity shares were allotted to Mr. Mark Schwartz and 5,000 equity shares were allotted to Mr. Neeraj Arora*

(77) *111,735 equity shares were allotted to Wormhole Technology (Singapore) Private Limited, 2,001 equity shares were allotted to N. Ramkumar, 1,056 equity shares were allotted to V. Sasiraman, 848 equity shares were allotted to R. Vijayakumari, 265 equity shares were allotted to R. Ravisankar, 32 equity shares were allotted to Susithra C, 32 equity shares were allotted to Kavitha and 32 equity shares were allotted to Prabhakar C in exchange of equity shares of Orbgen Technologies Private Limited at a ratio of 1:0.12, i.e. in exchange for every 1 equity share of Orbgen Technologies Private Limited, 0.12 equity shares of the Company were issued, at an implied issue price of ₹ 10,560 per equity share of our Company*

(78) *908 equity shares were allotted to Mr. Nishith Sinha, 110 equity shares were allotted to Mr. Aadhar Aggarwal, 43 equity shares were allotted to Ms. Apoorva Jain, 52 equity shares were allotted to Mr. Prasad Joshi, 37 equity shares were allotted to Mr. Rajat Jain, 624 equity shares were allotted to Mr. Manav Jain, 42 equity shares were allotted to Mr. Hemanth Malla, 132 equity shares were allotted to Gaurav Ruhela, and 35 equity shares were allotted to Mr. Kaustubh Singh Rana*

(79) *1,702,713 equity shares were allotted to BH International Holdings*

(80) *28 equity shares were allotted to Mr. Himannshu Saini, 243 equity shares were allotted to Mr. Michael Messy, 54 equity shares were allotted to Mr. Sumit Anand, 20,000 equity shares were allotted to Mr. Kiran Kalyan Vasireddy, 744 equity shares were allotted to Ms. Gargi Srivastava, 63 equity shares were allotted to Mr. Gopichand Vasireddy, 6 equity shares were allotted to Mr. Gaurav Mittal, 152 equity shares were allotted to Mr. Dheeraj Gunna, 60 equity shares were allotted to Mr. Dheeraj Tyagi, 25 equity shares were allotted to Mr. Gaurav Vinayak, 52 equity shares were allotted to Mr. Aditya Kapoor, 20,000 equity shares were allotted to Mr. Shankar Nath, 30 equity shares were allotted to Mr. Jajjin Austin, 55 equity shares were allotted to Mr. Sameer Saraf and 37 equity shares were allotted to Mr. Akshay Pasricha*

(81) *91,202 equity shares were allotted to GAMNAT Pte. Ltd. and 125,832 equity shares were allotted to SAIF Partners India IV Limited in exchange of equity shares of Little Internet Private Limited at a ratio of 1:0.020, i.e. in exchange of every equity share of Little Internet Private Limited, 0.020 equity shares of our Company were issued, at an implied issue price of ₹ 7,952.02 per equity share of our Company*

(82) *125 equity shares were allotted to Mr. Daniel Joanes, 1,136 equity shares were allotted to Mr. Otto Mok and 125 equity shares were allotted to Mr. Sagun Bajracharya*

(83) *15 equity shares were allotted to Mr. Abbas Mehdi, 312 equity shares were allotted to Mr. Abhinav Gupta, 463 equity shares were allotted to Mr. Abhishek Bagga, 1,656 equity shares were allotted to Mr. Abhishek Rajan, 121 equity shares were allotted to Mr. Afaq Mahmood, 1,851 equity shares were allotted to Mr. Ajay Shekhar Sharma, 325 equity shares were allotted to Mr. Akash Singh, 19 equity shares were allotted to Ms. Akriti Singh, 37 equity shares were allotted to Mr. Akshay Pasricha, 25 equity shares were allotted to Mr. Amit Dubey, 6,285 equity shares were allotted to Mr. Amit Sinha, 625 equity shares were allotted to Mr. Amit Veer, 16 equity shares were allotted to Mr. Amol Thakare, 110 equity shares were allotted to Mr. Anand Dubey, 625 equity shares were allotted to Mr. Anand Hirvey, 21 equity shares were allotted to Mr. Anil Jain, 25 equity shares were allotted to Mr. Anish Joseph Abraham, 641 equity shares were allotted to Mr. Ankit Gera, 312 equity shares were allotted to Mr. Anuj Vishwakarma, 65 equity shares were allotted to Mr. Ashish Bisht, 50 equity shares were allotted to Mr. Ashish Khanna, 105 equity shares were allotted to Ms. Ashwini Adlakha, 19 equity shares were allotted to Mr. Asit Kharshikar, 16 equity shares were allotted to Mr. Bhavin Javia, 30 equity shares were allotted to Mr. Binu Varghese, 15 equity shares were allotted to Mr. Chandan Singh Negi, 945 equity shares were allotted to Mr. Deepak Abott, 381 equity shares were allotted to Mr. Deepak Chawla, 1,382 equity shares were allotted to Mr. Deependra Singh Rathore, 15 equity shares were allotted to Mr. Divyanshu Anand, 38 equity shares were allotted to Mr. Gaurav Arya, 25 equity shares were allotted to Mr. Gaurav Sharma, 6 equity shares were allotted to Mr. Gopalji Yadav, 5 equity shares were allotted to Mr. Gurdeep Singh, 73 equity shares were allotted to Mr. Himanshu Setia, 178 equity shares were allotted to Ms. Indu Bhushan Mishra, 389 equity shares were allotted to Mr. Jaskaran Singh Kapany, 31 equity shares were allotted to Mr. Kantesh Raj, 11,056 equity shares were allotted to Mr.*

Kiran Kalyan Vasireddy, 274 equity shares were allotted to Mr. Krishna Kumar Rathi, 11,363 equity shares were allotted to Mr. Madhur Deora, 56 equity shares were allotted to Mr. Manas Bisht, 314 equity shares were allotted to Mr. Mayank Chawla, 142 equity shares were allotted to Michale Messey, 18 equity shares were allotted to Mr. Mohammad Fahad, 120 equity shares were allotted to Mr. Mohd Amanullah, 17 equity shares were allotted to Mr. Mohit Khare, 18 equity shares were allotted to Mr. Mohit Sud, 684 equity shares were allotted to Mr. Mukesh Kumar Saxena, 247 equity shares were allotted to Ms. Neha Aggarwal, 836 equity shares were allotted to Ms. Neha Bhardwaj, 250 equity shares were allotted to Mr. Nehul Malhotra, 312 equity shares were allotted to Mr. Nikhil Saigal, 270 equity shares were allotted to Mr. Nilesh Kumar Singh, 22 equity shares were allotted to Mr. Nishith Tripathi, 848 equity shares were allotted to Mr. Nitin Misra, 113 equity shares were allotted to Mr. Nitinesh Sharma, 125 equity shares were allotted to Mr. Padam Singh, 5 equity shares were allotted to Mr. Pankaj Acharya, 15 equity shares were allotted to Mr. Pawan Kumar, 138 equity shares were allotted to Mr. Prince Raj Anand, 346 equity shares were allotted to Mr. Puneet Jain, 16 equity shares were allotted to Mr. Pushkar Singh Rawat, 16 equity shares were allotted to Mr. Rahul Kumar, 31 equity shares were allotted to Mr. Rajat Kumar, 34 equity shares were allotted to Mr. Ram Singh Chauhan, 312 equity shares were allotted to Mr. Ravi Varma Datla, 208 equity shares were allotted to Mr. Ravinder Kumar Gupta, 459 equity shares were allotted to Ms. Sajal Bhatnagar, 125 equity shares were allotted to Mr. Sandeep Dulloo, 40 equity shares were allotted to Mr. Saurabh Jain, 3 equity shares were allotted to Ms. Shriya Jain, 16 equity shares were allotted to Mr. Shubham Gupta, 222 equity shares were allotted to Mr. Siddharth Pandey, 19 equity shares were allotted to Ms. Smita Ray, 61 equity shares were allotted to Mr. Sobeer Singh, 17 equity shares were allotted to Ms. Somnaya Singh, 1,016 equity shares were allotted to Mr. Sudhanshu Gupta, 16 equity shares were allotted to Mr. Sudheer Sattaru, 7 equity shares were allotted to Mr. Sujeet Kumar, 2,946 equity shares were allotted to Mr. Sunil Goyal, 62 equity shares were allotted to Mr. Tejinder Singh, 312 equity shares were allotted to Mr. Tushir Aggarwal, 30 equity shares were allotted to Mr. Utkarsh Tripathi, 314 equity shares were allotted to Mr. Varun Khullar, 6,285 equity shares were allotted to Mr. Vikas Garg, 125 equity shares were allotted to Mr. Vikas Sharma, 72 equity shares were allotted to Mr. Vineet Kumar, 16 equity shares were allotted to Mr. Vivek Vardhan Jain, 17 equity shares were allotted to Mr. Yashwant Bachhawat, 20 equity shares were allotted to Mr. Yesu Grover, 125 equity shares were issued to Mr. Jerome Gagnon and 1,000 equity shares were allotted to Ms. Charumitra Pujari

(84) *389 equity shares were allotted to Mr. Ashok Kumar, 278 equity shares were allotted to Mr. P Krishna Kumar and 278 equity shares were allotted to Mr. Prashant Kumar*

(85) *1,176 equity shares were allotted to Mr. Abhay Sharma, 307 equity shares were allotted to Mr. Rohit Gupta, 1,200 equity shares were allotted to Mr. Saurabh Gupta and 1,000 equity shares were allotted to Mr. Shailabh Gupta*

(86) *10,269 equity shares were allotted to Mr. Harinder Thakar*

(87) *27 equity shares were allotted to Mr. Amit Dubey, 2 equity shares were allotted to Ms. Shriya Singh, 63 equity shares were allotted to Mr. Anurag Cheela, 6 equity shares were allotted to Mr. Pentakota Hima Sai Phanindhra, 32 equity shares were allotted to Mr. Rajat Kumar, 6,500 equity shares were allotted to Mr. Amit Sinha and 10,000 equity shares were allotted to Mr. Vikas Garg*

(88) *617 equity shares were allotted to Mr. Varun Khullar, 131 equity shares were allotted to Mr. Veer Uday Shah, 10 equity shares were allotted to Ms. Megha Sachdeva, 120 equity shares were allotted to Mr. Lalit Mehra, 30 equity shares were allotted to Mr. Ankit Gupta, 747 equity shares were allotted to Ms. Neha Aggarwal, 86 equity shares were allotted to Mr. Yashwant Bachhawat, 16 equity shares were allotted to Ms. Sneha Aman Tekriwal, 12 equity shares were allotted to Ms. Unnati Aggarwal, 21 equity shares were allotted to Mr. Hemant Gupta, 4,190 equity shares were allotted to Mr. Nehul Malhotra, 14 equity shares were allotted to Mr. Karim Salim Musani, 56 equity shares were allotted to Mr. Naman Gupta, 47 equity shares were allotted to Mr. Vimal Chawla, 278 equity shares were allotted to Mr. P Krishna Kumar, 3,130 equity shares were allotted to Ms. Sajal Bhatnagar, 88 equity shares were allotted to Ms. Apoorva Jain, 20 equity shares were allotted to Mr. Shourya Jain, 25 equity shares were allotted to Mr. Rohan Khandelwal, 77 equity shares were allotted to Mr. Kinshuk Misra, 145 equity shares were allotted to Mr. Vivek Vardhan Jain, 89 equity shares were allotted to Mr. Pawan Kumar, 80 equity shares were allotted to Mr. Pawan Kohli, 25 equity shares were allotted to Mr. Anshu Goyal, 8,299 equity shares were allotted to Mr. Vikas Garg, 220 equity shares were allotted to Mr. Aadhar Aggarwal, 11,799 equity shares were allotted to Mr. Amit Sinha, 281 equity shares were allotted to Mr. Manas Bisht, and 2,500 equity shares were allotted to Mr. Puneet Jain*

(89) *3,844 equity shares were allotted to Mr. Abhay Sharma*

(90) *11,000 equity shares were allotted to Mr. Nitin Misra, 5,500 equity shares were allotted to Mr. Deepak Abott, 5,000 equity shares were allotted to Mr. Ankit Gera, 7,000 equity shares were allotted to Mr. Sudhanshu Gupta, 4,934 equity shares were allotted to Ms. Sonia Dhawan and 2,000 equity shares were allotted to Mr. Abhishek Rajan*

(91) *11,364 equity shares were allotted to Mr. Madhur Deora, 9,841 equity shares were allotted to Mr. Rahul Saini, 3,696 equity shares were allotted to Mr. Jaskaran Singh Kapany, 3,593 equity shares were allotted to Mr. Amit Veer, 2,515 equity shares were allotted to Mr. Puneet Jain, 1,650 equity shares were allotted to Mr. Nilesh Kumar Singh, 1,500 equity shares were allotted to Mr. Deepak Chawla, 1,300 equity shares were allotted to Mr. Nikhil Saigal, 1,000 equity shares were allotted to Mr. Krishna Kumar Rathi, 969 equity shares were allotted to Mr. Sandeep Sharma, 333 equity shares were allotted to Mr. Kamal Kumar, 85 equity shares were allotted to Mr. Himmanshu Saini, 53 equity shares were allotted to Mr. Sachin Kumar Saxena, 48 equity shares were allotted to Mr. Mukesh Pandey, 47 equity shares were allotted to Mr. Rajesh Kumar Rajesh, 34 equity shares were allotted to Mr. Piyush Sharma, 20 equity shares were allotted to Mr. Ankit Choudhary, 18 equity shares were allotted to Mr. Prateek Goel, 11 equity shares were allotted to Mr. Dapan Deep, 10 equity shares were allotted to Mr. Amitesh Singh, 3,480 equity shares were allotted to Mr. Gamandeep Singh, 308 equity shares were allotted to Mr. Saurabh Jain, 112 equity shares were allotted to Mr. Sachin Kumar Singh, 95 equity shares were allotted to Mr. Samir Gupta, 36 equity shares were allotted to Mr. Rakesh Kumar, 24 equity shares were allotted to Mr. Abhijeet Batsa, 20 equity shares were allotted to Mr. Suyash Sengar, 18 equity shares were allotted to Mr. Shashank Suman, 18 equity shares were allotted to Mr. Prabodh Shetty, 18 equity shares were allotted to Mr. Siraj Uddin, 1,200 equity shares were allotted to Mr. Siddharth Pandey, 89 equity shares were allotted to Mr. Siddharth Aggarwal, 79 equity shares were allotted to Mr. Ankit Goyal, 1,069 equity shares were*

allotted to Mr. Udai Singh Mehra, 95 equity shares were allotted to Mr. Jayesh Ametha, 87 equity shares were allotted to Mr. Rana Hazarika, 27 equity shares were allotted to Mr. Nitin Kathpal, 18 equity shares were allotted to Mr. Yashasvi Galav and 6 equity shares were allotted to Mr. Kshitij Malhotra

(92) *785,597 equity shares were allotted to Alipay Singapore E-Commerce Private Limited*

(93) *98,200 equity shares were allotted to SFSPVI Ltd.*

(94) *98,200 equity shares were allotted to DG-PTM LP*

(95) *39,280 equity shares were allotted to each of K2 VC LLC and K2 VC I LLC*

(96) *3,86,278 equity shares were allotted to T. Rowe Price Growth Stock Fund, Inc., 1,14,545 equity shares were allotted to T. Rowe Price Growth Stock Trust, 32,222 equity shares were allotted to T. Rowe Price Communications & Technology Fund, Inc., 24,073 equity shares were allotted to T. Rowe Price Global Technology Fund, Inc., 6,139 equity shares were allotted to T. Rowe Price Global Growth Stock Fund, 3,769 equity shares were allotted to T. Rowe Price Global Growth Equity Trust, 18,297 equity shares were allotted to T. Rowe Price Global Equity Fund, 3,875 equity shares were allotted to T. Rowe Price Global Growth Pool Equity, 785,597 equity shares were allotted SVF Panther (Cayman) Limited, 58,920 equity shares were allotted to Hana Investment Company W.L.L., 98,200 equity shares were allotted to Samba Financial Group*

(97) *39,280 equity shares were allotted to Ventura Capital GP Limited*

(98) *303 equity shares were allotted to Mr. Amit Verma, 140 equity shares were allotted to Mr. Divyanshu Anand, 125 equity shares were allotted to Mr. Sagun Bajracharya, 108 equity shares were allotted to Mr. Mohit Aggarwal, 53 equity shares were allotted to Mr. Amit Aggarwal, 42 equity shares were allotted to Mr. Anant Bhavsar, 40 equity shares were allotted to Ms. Vidhi Bajoria, 20 equity shares were allotted to Mr. Ankit Anand, 18 equity shares were allotted to Aqel Ahammad KP, 17 equity shares were allotted to Mr. Saurabh Anand, 17 equity shares were allotted to Karnica Singh Nandal, 844 equity shares were allotted to Mr. Apurav Chauhan, 579 equity shares were allotted to Mr. Deepak Abott, 449 equity shares were allotted to Mr. Ankit Gera, 296 equity shares were allotted to Mr. Rishikesh Kumar, 135 equity shares were allotted to Mr. Agrim Bansal, 63 equity shares were allotted to Mr. Mayank Deep, 63 equity shares were allotted to Mr. Kundarapu Vinay Kumar, 62 equity shares were allotted to Mr. Srikanth Radhakrishna, 47 equity shares were allotted to Mr. Apoorv Sood, 35 equity shares were allotted to Mr. Varun Sobti, 28 equity shares were allotted to Mr. Ankit Kumar Jain, 24 equity shares were allotted to Mr. Kshemendra Jangir, 9 equity shares were allotted to Mr. Rahul Verma and 4 equity shares were allotted to Mr. Saurabh Malviya.*

(99) *141,392 equity shares were allotted to DG-PTM LP*

(100) *5,000 equity shares were allotted to Mr. Deependra Singh Rathore, 381 equity shares were allotted to Mr. Saurabh Jain, 114 equity shares were allotted to Ms. Sommaya Singh, 84 equity shares were allotted to Mr. Rahul Sehijpal, 80 equity shares were allotted to Mr. Pankaj Sharma, 64 equity shares were allotted to Mr. Vipul Chhabra, 64 equity shares were allotted to Mr. Abhishek Upadhyay, 47 equity shares were allotted to Mr. Abhishek Maheshwari, 19 equity shares were allotted to Mr. Nikhil Yadav, 6 equity shares were allotted to Mr. Honey Duhar, 1,059 equity shares were allotted to Mr. Nitin Misra, 127 equity shares were allotted to Mr. Md Danish Kalim, 64 equity shares were allotted to Mr. Mayank Deep, 64 equity shares were allotted to Mr. Kundarapu Vinay Kumar and 4 equity shares were allotted to Mr. Amrit Raj*

(101) *207 equity shares were allotted to Mr. Tom Puthenpurackal Jacob, 125 equity shares were allotted to Mr. Jeph Paul Alapat, 103 equity shares were allotted to Mr. Kuntal Kumar Sasan, 907 equity shares were allotted to Mr. Jose Kuttan, 790 equity shares were allotted to Mr. Jacob Pattara, 235 equity shares were allotted to Mr. Jibin Scaria, 19 equity shares were allotted to Mr. Sita Ramachandra Rao Bhavaraju and 4 equity shares were allotted to Mr. Praful Anand*

(102) *2,376 equity shares were allotted to Mr. Puneet Jain, 800 equity shares were allotted to Mr. Vikas Sharma, 700 equity shares were allotted to Ms. Seema Sharma, 346 equity shares were allotted to Mr. Sobeer Singh, 142 equity shares were allotted to Mr. Shwetaank Shrivastav, 128 equity shares were allotted to Mr. Vipul Chhabra, 127 equity shares were allotted to Mr. Sridhar Gajjela, 113 equity shares were allotted to Ms. Kashish Sethi, 59 equity shares were allotted to Mr. Sarang Chakradharpant Adgokar, 25 equity shares were allotted to Ms. Unnati Aggarwal, 21 equity shares were allotted to Ms. Isha Singhal, 20 equity shares were allotted to Mr. Amitesh Singh, 8 equity shares were allotted to Mr. Rakesh Kumar Jatoth, 7 equity shares were allotted to Ms. Shweta Singh, 5 equity shares were allotted to Mr. Pranav Miglani, 200 equity shares were allotted to Mr. Michael Sunil Massey, 200 equity shares were allotted to Mr. Ashwini Adlakha, 39 equity shares were allotted to Ms. Deep Pawar, 29 equity shares were allotted to Mr. Gaurav Mishra, 16 equity shares were allotted to Mr. Sharad Agarwal, 9 equity shares were allotted to Ms. Yamini Jain, 5 equity shares were allotted to Mr. Parikshitraj Bhati and 4 equity shares were allotted to Mr. Shaik Mohammed Rafiq*

(103) *5,000 equity shares were allotted to Mr. Mark Schwartz*

(104) *17,988 equity shares were allotted to Mr. Sunil Goyal, 3,000 equity shares were allotted to Mr. Siddhartha Pandey, 1,800 equity shares were allotted to Mr. Mayank Chawla, 1,262 equity shares were allotted to Ms. Indu Bhushan Mishra, 764 equity shares were allotted to Mr. Saurabh Jain, 430 equity shares were allotted to Mr. Amit Verma, 369 equity shares were allotted to Mr. Tushar Garg, 290 equity shares were allotted to Mr. Manas Bisht, 202 equity shares were allotted to Mr. Rupal Kumar, 189 equity shares were allotted to Mr. Rakesh Rangdal, 138 equity shares were allotted to Mr. Vishwadeep Sharma, 129 equity shares were allotted to Mr. Vivek Paladhi, 113 equity shares were allotted to Mr. Nitin Raj, 106 equity shares were allotted to Mr. Amit Aggarwal, 39 equity shares were allotted to Ms. Vaishali Agarwal, 33 equity shares were allotted to Mr. Deepanshu Rishi, 11 equity shares were allotted to Mr. Mohan Singh, 10 equity shares were allotted to Mr. Sachin Gupta, 6 equity shares were allotted to Mr. Varun Ajay Gupta, 1,159 equity shares*

were allotted to Mr. Shah Mrunal, 439 equity shares were allotted to Mr. Kantesh Raj, 117 equity shares were allotted to Mr. Ajeet Singh Chauhan, 108 equity shares were allotted to Mr. Agrim Bansal, 83 Equity Shares to Mr. Lijo Isac, 52 equity shares were allotted to Mr. Nikhil Dhoka, 27 equity shares were allotted to Mr. Mohit Gupta, 18 equity shares were allotted to Mr. Akash Tiwari, 14 equity shares were allotted to Mr. Vinod HC, 14 equity shares were allotted to Mr. Tarun Garg, 13 equity shares were allotted to Mr. Shivam Kumar Mishra, 12 equity shares were allotted to Mr. Saurabh Acharya, 9 equity shares were allotted to Mr. Harish, 7 equity shares were allotted to Mr. Himanshu, 6 equity shares were allotted to Mr. Priyesh Jain, 6 equity shares were allotted to Mr. Piyush Jain and 5 equity shares were allotted to Mr. Rahul Joshi

(105) *4,114 equity shares were allotted to Mr. Krishna Kumar Rathi, 138 equity shares were allotted to Mr. Vineet Kaul, 55 equity shares were allotted to Mr. Vivek Kumar Singh, 42 equity shares were allotted to Mr. Ankit Choudhary, 37 equity shares were allotted to Mr. Deepanshu Mittal, 37 equity shares were allotted to Mr. Nikhil Jain, 7 equity shares were allotted to Mr. Madhur Sethi, 5 equity shares were allotted to Mr. Sanjeev Kumar Goyal, 429 equity shares were allotted to Mr. Ankit Kumar, 300 equity shares were allotted to Mr. Michael Sunil Massey, 241 equity shares were allotted to Mr. Rahul Kumar, 75 equity shares were allotted to Mr. Tarunjeet Saini, 37 equity shares were allotted to Mr. Nikunj Kumar, 15 equity shares were allotted to Mr. Amit Gupta, 14 equity shares were allotted to Mr. Boddeda Karthik Saipavan, 13 equity shares were allotted to Mr. Sandeep Srivastava, 12 equity shares were allotted to Mr. Manasvi Mohan Lal, 12 equity shares were allotted to Mr. Hitesh Kumar, 11 equity shares were allotted to Mr. Akash Kumar Singh, 11 equity shares were allotted to Mr. Rajesh MK, 9 equity shares were allotted to Mr. Abhijit Pratap Singh, 8 equity shares were allotted to Ms. Sumedha, 8 equity shares were allotted to Mr. Harsh Sama, 6 equity shares were allotted to Ms. Garvita Sharma, 2 equity shares each were allotted to Mr. Vaibhav Bansal, Mr. Harshjeet Singh Aulakh and Mr. Awanish Dwivedi*

(106) *6,000 equity shares were allotted to Mr. Charumitra Pujari, 1,581 equity shares were allotted to Mr. Shridhar Atul and 1,500 equity shares were allotted to Mr. Shilei Long*

(107) *4,704 equity shares were allotted to Mr. Jaskaran Singh Kapany, 4,375 equity shares were allotted to Mr. Vikas Garg, 4,229 equity shares were allotted to Mr. Amit Veer, 3,432 equity shares were allotted to Mr. Mayank Chawla, 1,045 equity shares were allotted to Mr. Prince Raj Anand, 1,200 equity shares were allotted to Mr. Ravinder Kumar Gupta, 1,000 equity shares were allotted to Mr. Deepak Chawla, 833 equity shares were allotted to Mr. Mohit Mohan, 831 equity shares were allotted to Ms. Santoshi, 500 equity shares were allotted to Mr. Otto Mok, 500 equity shares were allotted to Mr. Fang Sam, 498 equity shares were allotted to Mr. Manas Bisht, 469 equity shares were allotted to Mr. Nasr Ullah Khan, 242 equity shares were allotted to Mr. Mukesh Pandey, 174 equity shares were allotted to Mr. Piyush Sharma, 146 equity shares were allotted to Mr. Anagat Pareek, 115 equity shares were allotted to Mr. Rajat Mehrotra, 102 equity shares were allotted to Ms. Kanika Bains, 87 equity shares were allotted to Ms. Megha Singh, 59 equity shares were allotted to Mr. Sarang, 37 equity shares were allotted to Ms. Unnati Aggarwal, 14 equity shares were allotted to Mr. Parth Pahariya, 8 equity shares were allotted to Mr. Himanshu Garg, 7 equity shares were allotted to Ms. Charu Aggarwal, 6 equity shares were allotted to Mr. Chirag Kansal, 3 equity shares were allotted to Mr. Hanish Kumar, 3,500 equity shares were allotted to Mr. Tushir Aggarwal, 3,500 equity shares were allotted to Mr. Akash Singh, 2,505 equity shares were allotted to Mr. Amit Kumar Sharma, 1,388 equity shares were allotted to Mr. Praveen Kumar Sharma, 819 equity shares were allotted to Mr. Apurva Chauhan, 770 equity shares were allotted to Mr. Aadhar Aggarwal, 566 equity shares were allotted to Mr. Harsh Vardhan Tripathi, 395 equity shares were allotted to Mr. Ankit Goyal, 351 equity shares were allotted to Mr. Nitin Bakshi, 160 equity shares were allotted to Mr. Pawan Kohli, 129 equity shares were allotted to Mr. Ankit Singhal, 117 equity shares were allotted to Mr. Syed Faizan Iqbal, 87 equity shares were allotted to Mr. Anish Viswanathan, 81 equity shares were allotted to Mr. Nikhil Garg 78 equity shares were allotted to Ms. Sohini Bera, 34 equity shares were allotted to Mr. Sharad Agarwal, 27 equity shares were allotted to Mr. Vishal Sinha, 22 equity shares were allotted to Mr. Palash Kulshreshtha, 21 equity shares were allotted to Mr. Priyanka, 16 equity shares were allotted to Mr. Kshitiz Anand, 9 equity shares were allotted to Mr. Puneet Ghai, 7 equity shares were allotted to Ms. Surbhi Moghe, 6 equity shares were allotted to Ms. T Madhu Kumar, 5 equity shares were allotted to Mr. Soyef, 5 equity shares were allotted to Mr. Shivashankar Kuradagi, 4 equity shares were allotted to Mr. Shruti Nath, 3 equity shares were allotted to Ms. Kanika Saini, 3 equity shares were allotted to Mr. Shivanshu Bhardwaj, 2 equity shares were allotted to Mr. Akash Yadav and 2 equity shares were allotted to Mr. Rahul Chugh*

(108) *5,000 equity shares were allotted to Mr. Harinder Thakkar*

(109) *2,000 equity shares were allotted to Mr. Saurabh Gupta*

(110) *174,750 Equity Shares were allotted to Mr. Sudhanshu Gupta, 24,390 Equity Shares were allotted to Mr. Sandeep Dulloo, 12,670 Equity Shares were allotted to Mr. Akash Singh, 11,110 Equity Shares were allotted to Mr. Rohit Thakur, 10,000 Equity Shares were allotted to Mr. Bhuvnesh Dhingra, 7,500 Equity Shares were allotted to Nitinesh Sharma, 7,060 Equity Shares were allotted to Utkarsh Tripathi, 3,860 Equity Shares were allotted to Mr. Kinshuk Misra, 3,290 Equity Shares were allotted to Mr. Nimit Bhatia, 3,090 Equity Shares were allotted to Mr. Abbas Mehdi, 2,770 Equity Shares were allotted to Mr. Avijit Jain, 2,720 Equity Shares were allotted to Ms. Swati Aggarwal, 1,680 Equity Shares were allotted to Mr. Vinit Sharma, 1,300 Equity Shares were allotted to Mr. Pralabh Jain, 1,270 Equity Shares were allotted to Mr. Rikhab Dagdi, 1,260 Equity Shares were allotted to Mr. Anshu Goyal, 940 Equity Shares were allotted to Mr. Pankaj Kathuria, 850 Equity Shares were allotted to Mr. Ankit Singh Thakur, 830 Equity Shares were allotted to Mr. Indra Sen Singh, 620 Equity Shares were allotted to Mr. Ankit Choudhary, 540 Equity Shares were allotted to Mr. Amit Aggarwal, 500 Equity Shares were allotted to Mr. Vineet Kumar, 440 Equity Shares were allotted to Mr. Abhishek Moondra, 420 Equity Shares were allotted to Mr. Piyush Aggarwal, 400 Equity Shares were allotted to Ms. Devika Singhania, 320 Equity Shares were allotted to Ms. Jagriti, 310 Equity Shares were allotted to Ms. Sheilli Johiya, 300 Equity Shares were allotted to Mr. Aayush Suri, 210 Equity Shares were allotted to Mr. Sachin Gupta,200 Equity Shares were allotted to Mr. Parveen Kumar, 180 Equity Shares were allotted to Ms. Subhashni V, 50,000 Equity Shares were allotted to Mr. Abhinav Gupta, 29,690 Equity Shares were allotted to Mr. Padam Singh, 27,240 Equity Shares were allotted to Mr. Tushir Aggarwal, 26,000 Equity Shares were allotted to Mr. Dinesh Singh, 16,610 Equity Shares were allotted to Mr. Rahul Nagar, 10,000 Equity Shares were allotted to Mr. Mukesh Kumar Saxena, 6,660 Equity Shares were allotted to Mr. Mukesh Meena, 6,620 Equity Shares were allotted to Mr. Lucky Grover, 6,000 Equity Shares were allotted to Mr. Afaq Mahmood, 5,760 Equity Shares were allotted to Mr. Ravindra Malviya, 5,020 Equity Shares were allotted to Mr. Gaurav Sharma,*

4,320 Equity Shares were allotted to Mr. Shubham Gupta, 4,160 Equity Shares were allotted to Mr. Anubhav Aggarwal, 3,940 Equity Shares were allotted to Mr. Jitendra Singh, 3,880 Equity Shares were allotted to Tarun Aggarwal, 3,760 Equity Shares were allotted to Mr. Neeraj Aggarwal, 3,250 Equity Shares were allotted to Mr. Apurv Narang, 2,950 Equity Shares were allotted to Mr. Mukesh Yadav, 2,800 Equity Shares were allotted to Mr. Santosh Kumar Choursia, 2,400 Equity Shares were allotted to Mr. Pawan Kohli, 2,220 Equity Shares were allotted to Mr. Vikrant Bangia, 2,120 Equity Shares were allotted to Mr. Shubham Singh, 1,800 Equity Shares were allotted to Ms. Garima Aggarwal, 1,750 Equity Shares were allotted to Mr. Saibaba Rajkumar, 1,320 Equity Shares were allotted to Mr. Rahul Mathur, 870 Equity Shares were allotted to Mr. Dhanish Chhajer, 850 Equity Shares were allotted to Mr. Abhay Vig, 740 Equity Shares were allotted to Mr. Vikas Singh, 730 Equity Shares were allotted to Nirmal Kumar Singh, 700 Equity Shares were allotted to Mr. Nitesh Malhotra, 670 Equity Shares were allotted to Mr. Abhishek Sharma, 460 Equity Shares were allotted to Mr. Praveen Kumar, 450 Equity Shares were allotted to Mr. Anurag Singla, 410 Equity Shares were allotted to Mr. Vinay Vyas, 400 Equity Shares were allotted to Ms. Sonali Sood, 350 Equity Shares were allotted to Mr. Preetham Nair, 320 Equity Shares were allotted to Mr. Abhijit Prasad, 260 Equity Shares were allotted to Mr. Viplov Rana, 230 Equity Shares were allotted to Ms. Poonam Saini, 220 Equity Shares were allotted to Mr. Chirag Jashvantbhai Raval, 190 Equity Shares were allotted to Mr. Devki Nandan Raikwar, 160 Equity Shares were allotted to Ms. Rikita Mehra, 130 Equity Shares were allotted to Mr. Hari Prasad Gundlapalli, 120 Equity Shares were allotted to Mr. Kumar Purushottam, 110 Equity Shares were allotted to Mr. Rishabh Ghai, 90 Equity Shares were allotted to Mr. Chirag Lunawat, 20 Equity Shares were allotted to Mr. Vishal Kumar Sinha, 20 Equity Shares were allotted to Mr. Aditya Kumar and 20 Equity Shares were allotted to Mr. Vikash Mahato

(111) *30,300 Equity Shares were allotted to Ms. Smita Ranjan*

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference share capital.

2. As on the date of this Draft Red Herring Prospectus, our Company has not issued equity shares out of revaluation reserves at any time since incorporation.

3. Except as stated below, as on date of this Draft Red Herring Prospectus, our Company has not issued equity shares for consideration other than cash at any time since incorporation.

Date of allotment	**Nature of allotment**	**No. of equity shares allotted**	**Face value per equity share (₹)**	**Issue price per equity share (₹)**	**Nature of consideration**	**Benefits to our Company**
September 26, 2005	Scheme of amalgamation(1)	878,980	10	10	N.A.	-
November 30, 2005	Bonus issue in the ratio of 18:5(2)	6,764,328	10	N.A.	N.A.	-
March 13, 2007	Bonus issue in the ratio of 605:200(3)	3,353,000	10	N.A.	N.A.	-
June 9, 2018	Preferential allotment(4)	116,001	10	10,560	Other than cash	-
February 21, 2019	Preferential allotment(5)	217,034	10	7,952.02	Other than cash	-

(1) *Allotment of 351,592 equity shares to Mr. Peeyush Kumar Aggarwal and 527,388 equity shares to Mr. Vijay Shekhar Sharma as shareholders of the erstwhile Worldwide Computer Services Private Limited ("**WCSPL**"), pursuant to the scheme of amalgamation of WCSPL with our Company, which was approved by the High Court of Delhi by its order dated August 24, 2005. On filing of a certified copy of the order with the RoC, the scheme of amalgamation became operational retrospectively with effect from April 1, 2004.*

(2) *Bonus issuance of 2,705,731 equity shares to Mr. Peeyush Kumar Aggarwal and 4,058,597 equity shares to Mr. Vijay Shekhar Sharma pursuant to capitalisation of ₹67,643,280 out of the profit and loss account of our Company.*

(3) *Bonus issuance of 1,341,200 equity shares to Mr. Peeyush Kumar Aggarwal and 2,011,800 equity shares to Mr. Vijay Shekhar Sharma pursuant to capitalisation of ₹33,530,000 out of the profit and loss account of our Company.*

(4) *111,735 equity shares were allotted to Wormhole Technology (Singapore) Private Limited, 2,001 equity shares were allotted to N. Ramkumar, 1,056 equity shares were allotted to V. Sasiraman, 848 equity shares were allotted to R. Vijayakumari, 265 equity shares were allotted to R. Ravisankar, 32 equity shares were allotted to Susithra C, 32 equity shares were allotted to Kavitha and 32 equity shares were allotted to Prabhakar C in exchange of equity shares of Orbgen Technologies Private Limited at a ratio of 1:0.12, i.e. in exchange for every 1 equity share of Orbgen Technologies Private Limited, 0.12 equity shares of the Company were issued, at an implied issue price of ₹ 10,560 per equity share of our Company.*

(5) *91,202 equity shares were allotted to GAMNAT Pte. Ltd. and 125,832 equity shares were allotted to SAIF Partners India IV Limited in exchange of equity shares of Little Internet Private Limited at a ratio of 1:0.020, i.e. in exchange of every equity share of Little Internet Private Limited, 0.020 equity shares of our Company were issued, at an implied issue price of ₹7,952.02 per equity share of our Company.*

4. **Equity shares issued pursuant to scheme of amalgamation**

Our Company has not allotted any equity shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013, except for 878,890 equity shares which were allotted to the shareholders of Worldwide Computer Services Private Limited pursuant to a scheme of amalgamation, the details of which are mentioned below:

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Allottees
September 26, 2005	878,980	10	10	Mr. Vijay Shekhar Sharma and Mr. Peeyush Kumar Aggarwal(1)

(1) *Allotment of 351,592 equity shares to Mr. Peeyush Kumar Aggarwal and 527,388 equity shares to Mr. Vijay Shekhar Sharma as shareholders of the erstwhile Worldwide Computer Services Private Limited ("**WCSPL**"), pursuant to the scheme of amalgamation of WCSPL with our Company, which was approved by the High Court of Delhi by its order dated August 24, 2005. On filing of a certified copy of the order with the RoC, the scheme of amalgamation became operational retrospectively with effect from April 1, 2004.*

5. **Issue of shares at a price lower than the Offer Price in the last year**

The Offer Price for the Equity Shares is ₹ [●]. For details of allotments made in the last one year, see " – ***Notes to Capital Structure – Share Capital History***" on page 94.

6. **Details of equity shares granted under employee stock option schemes**

For details of shares granted under employee stock option schemes, please refer to "***– Notes to Capital Structure – Employee Stock Option Schemes***" on page 109.

7. **Details of lock-in**

(a) Details of equity shares locked-in for three years

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares will be locked in for a period of three years pursuant to the Offer.

(b) Details of Equity Shares locked-in for one year

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of one year from the date of Allotment in the Offer, except (a) the Equity Shares allotted to the employees under ESOP Schemes pursuant to exercise of options held by such employees (whether currently employees or not); (b) Equity Shares held by a venture capital fund ("**VCF**") or alternative investment fund of category I or category II ("**AIF**") or a foreign venture capital investor ("**FVCI**"), provided that such Equity Shares were locked-in for a period of at least one year from the date of purchase by the VCF or AIF or FVCI, and (c) Offered Shares, which are successfully transferred as part of the Offer for Sale.

Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

(c) Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(d) Other requirements in respect of lock-in

In terms of Regulation 22 of the SEBI ICDR Regulations, the Equity Shares held by our Shareholders prior to the Offer and locked-in pursuant to Regulation 17 of the SEBI ICDR Regulations for a period of one year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

8. None of our Directors or their relatives has purchased or sold equity shares, during the six months immediately preceding the date of this Draft Red Herring Prospectus.

9. There are no financing arrangements whereby our Directors or their relatives have financed the purchase of equity shares of our Company by any other person other than in the normal course of business during the six months immediately preceding the date of this Draft Red Herring Prospectus.

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10. **Our shareholding pattern**

Set forth below is the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)				No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+ (X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized from (XIV)
								No. of Voting Rights: Class eg: X	Class eg: Y	Total	Total as a % of total voting rights			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	**Promoter & Promoter Group**	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(B)	**Public**	2,167	605,930,140	Nil	Nil	605,930,140	100%	N.A.	N.A.	605,930,140	100%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	586,266,900
(C)	**Non Promoter-Non Public**	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(1)	Shares underlying Custodian/Depository Receipts	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(2)	Shares held by Employee Trusts	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (A)+(B)+(C)	2,167	605,930,140	Nil	Nil	605,930,140	100%	N.A.	N.A.	605,930,140	100%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	586,266,900

11. ***Shareholding of our Directors and Key Managerial Personnel***

(a) Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company.

Name of Directors/ KMPs	No. of Equity Shares	% of pre-Offer equity share capital (%)
Directors		
Mr. Vijay Shekhar Sharma	5,95,45,834	9.6
Mr. Mark Schwartz	935,970	0.2
Mr. Neeraj Arora	75,000	0.0*
Key Managerial Personnel		
Mr. Madhur Deora	113,640	0.0*
Mr. Vikas Garg	468,420	0.1
Mr. Sudhanshu Gupta^	174,750	0.0*
Mr. Harinderpal Singh Takhar	50,000	0.0*
Ms. Renu Satti^	278,790	0.0*
Mr. Praveen Kumar Sharma	13,880	0.0*
Total	**61,656,284**	**10.0**

**Negligible*

^These include Equity Shares under allotment for the respective Key Managerial Personnel

For stock options held by our Directors and Key Managerial Personnel, see "***– Notes to Capital Structure – Employee Stock Option Schemes***" on page 109.

12. As on the date of this Draft Red Herring Prospectus, our Company has 2,167 Shareholders.

13. ***Details of shareholding of the major Shareholders of our Company***

The details of our Shareholders holding 1% or more of the paid-up share capital of our Company on a fully diluted basis: (i) as on the date of this Draft Red Herring Prospectus; (ii) as of 10 days prior to the date of this Draft Red Herring Prospectus; (iii) as of one year prior to the date of this Draft Red Herring Prospectus; and (iv) as of two years prior to the date of this Draft Red Herring Prospectus, are set out below:

(a) Shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus

S. No.	Shareholder	Number of Equity Shares of face value of ₹ 1 each held	Percentage of the pre-Offer equity share capital (%)
1.	Antfin (Netherlands) Holding B.V.	183,301,220	29.6
2.	SVF India Holdings (Cayman) Limited	113,262,230	18.3
3.	SAIF III Mauritius Company Limited	74,910,610	12.1
4.	Mr. Vijay Shekhar Sharma	59,545,834	9.6
5.	Alibaba.Com Singapore E-Commerce Private Limited	44,282,140	7.2
6.	SAIF Partners India IV Limited	31,802,020	5.1
7.	VSS Holding Trust	30,970,406	5.0
8.	BH International Holdings	17,027,130	2.8
9.	SVF Panther (Cayman) Limited	7,855,970	1.3
	Total	**562,957,560**	**91.0**

(b) Shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus

S. No.	Shareholder	Number of Equity Shares of face value of ₹ 1 each held	Percentage of the pre-Offer equity share capital (%)
1.	Antfin (Netherlands) Holding B.V.	183,301,220	29.6
2.	SVF India Holdings (Cayman) Limited	113,262,230	18.3
3.	Mr. Vijay Shekhar Sharma	90,516,240	14.6
4.	SAIF III Mauritius Company Limited	74,910,610	12.1
5.	Alibaba.Com Singapore E-Commerce Private Limited	44,282,140	7.2
6.	SAIF Partners India IV Limited	31,802,020	5.1
7.	BH International Holdings	17,027,130	2.8
8.	SVF Panther (Cayman) Limited	7,855,970	1.3
	Total	**562,957,560**	**91.0**

(c) Shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus

S. No.	Shareholder	Number of equity shares of face value of ₹ 10 each held	Percentage of the pre-Offer equity share capital (%)
1.	Antfin (Netherlands) Holding B.V.	18,330,122	29.8
2.	SVF India Holdings (Cayman) Limited	11,326,223	18.4
3.	Mr. Vijay Shekhar Sharma	9,051,624	14.7
4.	SAIF III Mauritius Company Limited	7,491,061	12.1
5.	Alibaba.Com Singapore E-Commerce Private Limited	4,428,214	7.2
6.	SAIF Partners India IV Limited	3,180,202	5.2
7.	BH International Holdings	1,702,713	2.8
8.	SVF Panther (Cayman) Limited	785,597	1.3
	Total	**56,295,756**	**92.0**

(d) Shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus

S. No.	Shareholder	Number of equity shares of face value of ₹ 10 each held	Percentage of the pre-Offer equity share capital (%)
1.	Alipay Singapore E-Commerce Private Limited	17,544,525	29.9
2.	SVF India Holdings (Cayman) Limited	11,326,223	19.3
3.	Mr. Vijay Shekhar Sharma	9,051,624	15.4
4.	SAIF III Mauritius Company Limited	7,491,061	12.8
5.	Alibaba.Com Singapore E-Commerce Private Limited	4,428,214	7.6
6.	SAIF Partners India IV Limited	3,180,202	5.4
7.	BH International Holdings	1,702,713	2.9
	Total	**54,724,562**	**93.3**

14. **Employee Stock Option Schemes**

Our Company has formulated two employee stock option schemes, namely, One 97 Employee Stock Option Scheme 2008 ("**ESOP – 2008**") and One 97 Employee Stock Option Scheme 2019 ("**ESOP – 2019**") (collectively, the "**ESOP Schemes**").

ESOP - 2008

ESOP – 2008 was approved pursuant to a Board resolution dated September 8, 2008 and Shareholders' resolution dated October 22, 2008, and further amended by shareholders' special resolutions dated March 31, 2015, October 21, 2015, March 28, 2017, September 30, 2019 and July 12, 2021. Our Statutory Auditors have, pursuant to their report dated July 13, 2021 reported that ESOP – 2008 is in compliance with the SEBI (SBEB) Regulations. Under ESOP – 2008, an aggregate of 37,625,210 options have been granted, 14,012,110 options have vested and 10,722,810 options have been exercised as on the date of the Draft Red Herring Prospectus. No further grant of options will be made under ESOP – 2008. The following table sets forth the particulars of ESOP – 2008 during the last three Financial Years, and as on the date of this Draft Red Herring Prospectus:

Particulars	Details			
	FY 2019	**FY 2020**	**FY 2021**	**April 1, 2021 – July 15, 2021**
Total options outstanding as at the beginning of the period	9,885,210	9,607,430	7,292,570	5,362,100
Total options granted during the year/period	3,719,150	1,254,080	-	-
Vesting period	4 years	4 years	-	-
Exercise price of options in ₹ (as on the date of grant options)	9	9	9	9
Options forfeited/lapsed/cancelled during the year/period	2,417,330	2,290,440	1,316,610	414,770
Variation of terms of options	*Refer Note 1*	*Refer Note 2*	-	*Refer Note 3*
Money realized by exercise of options	14,730,105	11,187,559	5,468,740	9,188,502
Total number of options outstanding in force	9,607,430	7,292,570	5,362,100	3,929,760
Total options vested (excluding the options that have been exercised)	3,620,160	4,127,780	4,514,930	3,289,300
Options exercised (since implementation of the ESOP scheme)	7,812,880	9,091,380	9,705,240	10,722,810
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised but not allotted)	7,812,880	9,091,380	9,705,240	10,722,810
Employee wise details of options granted to:				
(i) Key managerial personnel*	-	-	-	-
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year*				
N Ramkumar	297,510	-	-	-
Jose Baby Manikathuparambil	204,050	-	-	-
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil			
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	Not Applicable, as the Company has incurred losses			
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	Employee Compensation cost has been computed basis fair value of options.			

Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option				
Method of Valuation	Black Scholes Model	Black Scholes Model	-	-
Expected Volatility (%)	51% - 64%	40% - 53%	-	-
Dividend Yield (%)	0.00%	0.00%	-	-
Expected Life (Years)	3.5 years to 4 years	3 Years	-	-
Risk Free Interest Rate (%)	7.1% - 8.1%	6.8% - 7.2%	-	-
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years	Not Applicable as Company has followed similar accounting policies, as mentioned in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014			
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Our Key Managerial Personnel may sell some Equity Shares allotted on the exercise of their options post-listing of the Equity Shares of our Company			
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	-			

**Net of cancellation and forfeiture.*

Note 1: During the year, the Company has cancelled 955,610 outstanding unvested employee stock options, with prior consent of the employees.

Note 2: During the year, the Company has cancelled 846,140 outstanding unvested employee stock options, with prior consent of employees.

Note 3: During the period, the Company has cancelled 82,670 outstanding unvested/vested employee stock options, with prior consent of employee.

Note 4: Number of Options and shares are updated in the table to factor in impact of equity shares subdivision in the ratio of 1:10, as approved by shareholders of the Company in AGM held on June 30, 2021.

ESOP – 2019

ESOP – 2019 was approved pursuant to a Board resolution dated September 4, 2019 and Shareholders' resolution dated September 30, 2019, and further amended by shareholders' special resolution dated July 12, 2021. Pursuant to the said resolutions, our Company has approved that all ESOPs committed to be granted under ESOP – 2008, but which are yet to be so granted, shall be made in terms of the ESOP – 2019. Our Statutory Auditors have, pursuant to their report dated July 13, 2021 reported that ESOP – 2019 is in compliance with the SEBI (SBEB) Regulations. Under ESOP – 2019, an aggregate of 6,572,550 options have been granted, 323,050 options have vested and 130,270 options have been exercised as on the date of this Draft Red Herring Prospectus. On July 14, 2021, our Board has approved an increase in the ESOP pool by an additional 37,000,000 Equity Shares, subject to approval of the Shareholders. The following table sets forth the particulars of ESOP – 2019 during the last two Financial Years, and as on the date of this Draft Red Herring Prospectus:

Particulars	Details		
	FY 2020	FY 2021	April 1, 2021 – July 15, 2021
Total options outstanding as at the beginning of the period	-	1,478,130	4,669,180
Total options granted during the year/ period	1,633,690	3,868,310	1,070,550
Vesting period	5 years	5 years	5 years
Exercise price of options in ₹ (as on the date of grant options)	9	9	9
Options forfeited/lapsed/cancelled during the year/period	155,560	653,880	412,110
Variation of terms of options	*Refer Note 1*	*Refer Note 2*	*Refer Note 3*
Money realized by exercise of options	-	210,420	962,010
Total number of options outstanding in force	1,478,130	4,669,180	5,220,730
Total options vested (excluding the options that have been exercised)	91,240	240,250	192,780
Options exercised (since implementation of the ESOP scheme)	-	23,380	130,270
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised but not allotted)	-	23,380	130,270
Employee wise details of options granted to:			
(i) Key managerial personnel*			
-Harinder Pal Takhar	33,620	-	-
-Vikas Garg	43,750	-	-
-Praveen Kumar Sharma	138,890	-	-
-Madhur Deora	-	444,440	-
-Bhavesh Gupta	-	138,890	-
-Manmeet Singh Dhody	-	83,330	-
-Amit Khera	-	-	15,560
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year*			
-Amit Nayyar	388,890	-	-
-Rohit Chhapolia	-	-	55,560
-Deepankar Sanwalka	-	-	152,780
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil		
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	Not Applicable, as Company has incurred losses		
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of	Employee Compensation cost has been computed basis fair value of options.		

Particulars	Details		
	FY 2020	FY 2021	April 1, 2021 – July 15, 2021
this difference, on the profits of the Company and on the earnings per share of the Company			
Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option			
Method of Valuation	Black Scholes Model		
Expected Volatility (%)	40% - 61%	36.5% - 53%	-
Dividend Yield (%)	0.00%	0.00%	-
Expected Life (Years)	2.5 to 3 years	1.5 to 2.5 years	-
Risk Free Interest Rate (%)	6.1% - 7.2%	4.4% - 6.8%	-
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years	Not Applicable as Company has followed similar accounting policies, as mentioned in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014		
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Our Key Managerial Personnel may sell some Equity Shares allotted on the exercise of their options post-listing of the Equity Shares of our Company		
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	-		

* *Net of cancellation and forfeiture.*

Note 1: 43,750 options granted to one of the KMPs has a vesting period of 2 years.

Note 2: 27,300 options were granted to employees with vesting in 1 year based on achievement of milestone.

Note 3: 13,890 options were granted to an employee with vesting in 1 year based on achievement of milestone. Further, during the period, the Company has cancelled. 53,710 outstanding unvested/vested employee stock options, with prior consent of employee.

Note 4: Number of Options and shares are updated in the table to factor in impact of equity shares subdivision in the ratio of 1:10, as approved by shareholders of the Company in AGM held on June 30, 2021.

15. Except for the allotment of Equity Shares pursuant to the Fresh Issue, the issue of any Equity Shares pursuant to exercise of options granted under the ESOP Schemes, the Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights issue or further public issue of Equity Shares or otherwise.

16. Our Company, our Directors, the JGC-BRLMs and the BRLMs have not entered into any buy-back

arrangements or any other similar arrangement for the purchase of Equity Shares being offered through this Offer.

17. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid up at the time of Allotment.

18. Except for the Equity Shares held by ICICI Investment Management Company Limited, the JGC-BRLMs, BRLMs and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus. The JGC-BRLMs, BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates or associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

19. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

20. Except for options granted under the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

21. Except for (i) the Pre-IPO Placement; (ii) the Fresh Issue; (iii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Schemes, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

A Bidder cannot make a Bid exceeding the number of Equity Shares offered through this Offer and subject to the investment limits or maximum number of Equity Shares that can be held by them under applicable law. For more information, see ***"Offer Procedure"*** on page 448.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹ 83,000 million by our Company and an Offer for Sale of up to [●] Equity Shares, aggregating up to ₹ 83,000 million by the Selling Shareholders.

Offer for Sale

The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

Fresh Issue

Net Proceeds

The details of the Net Proceeds are summarized in the table below.

(in ₹ million)

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue[(1)]	83,000
Less: Offer expenses to the extent applicable to the Fresh Issue (only those apportioned to our Company)[(2)]	[●][(3)]
Net Proceeds	**[●]**[(3)]

(1) *Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer prior to completion of the Offer.*

(2) *See "- **Offer Related Expenses**" below.*

(3) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Requirement of funds

We are India's leading digital ecosystem ("**Paytm ecosystem**") for consumers and merchants, according to RedSeer. We offer payment services, commerce and cloud services and financial services (including via financial partners) to 333 million consumers and 21.1 million merchants as of March 31, 2021. We do not make substantial investments in fixed assets. We acquire consumers through marketing, cashback and promotions, and merchants through marketing and sales personnel, and we offer them access to technology through our consumer and business apps, our payment instruments, payment platforms, devices, cloud and software. We have also expanded our business in the past through investing in new business initiatives, undertaking acquisitions and entering into strategic partnerships and intend to continue to do so in the future. As a result, most of our investments are undertaken towards (a) acquiring and retaining consumers and merchants, (b) product and engineering talent to build technology solutions, (c) sales personnel who engage with our merchants, and (d) acquisition of hardware, including devices.

Accordingly, our Company proposes to utilise the Net Proceeds towards funding the following objects (collectively, referred to herein as the "**Objects**"):

1. growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services;

2. investing in new business initiatives, acquisitions and strategic partnerships; and

3. general corporate purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancement of our Company's brand name among existing and potential consumers and merchants, retaining existing and attracting potential employees, and creation of a public market for the Equity Shares in India.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enables our Company to undertake the activities proposed to be funded from the Net Proceeds.

Proposed schedule of implementation and deployment of Net Proceeds

The Company proposes to utilize the Net Proceeds in the manner set forth in the table below:

(in ₹ million)

S. No	Particulars	Total estimated amount / expenditure
1.	Growing and strengthening our Paytm ecosystem, including through acquisition and retention of consumers and merchants and providing them with greater access to technology and financial services	43,000
2.	Investing in new business initiatives, acquisitions and strategic partnerships	20,000
3.	General corporate purposes(1)	[●]
	Total Net Proceeds	[●]

(1) *To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25.00% of the Net Proceeds.*

Since the amount of the Net Proceeds proposed to be utilized towards the objects mentioned in the table above are not towards implementing any specific project, a year wise schedule of deployment of funds has not been provided. We intend to deploy the Net Proceeds towards the objects mentioned in the table above over the next five Financial Years from listing of the Equity Shares, in accordance with the business needs of the Company.

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as, change in cost, financial and market conditions, our management's analysis of economic trends and our business requirements, ability to identify and consummate new business initiatives, fund requirements in the operations of our subsidiaries and associates, inorganic and geographic expansion opportunities as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling and revising the funding requirement for a particular object or increasing or decreasing the amounts earmarked towards any of the aforementioned objects at the discretion of our management, subject to compliance with applicable law.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned Objects, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Net Proceeds in accordance with applicable law. Further, in case of any variations in the actual utilization of funds earmarked towards the Objects set forth above, then any increased fund requirements for a particular Object may be financed by surplus funds (subject to utilization towards general corporate purposes not exceeding 25% of the Net Proceeds from the Offer), if any, available in respect of the other Objects for which funds are being raised in this Offer. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the aforementioned Objects, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

See "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds***" on page 62.

Means of finance

The entire fund requirements set out above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue.

Details of the Objects

1. Growing and strengthening our Paytm ecosystem, including through acquisition of consumers and merchants and providing them with greater access to technology and financial services

Our Paytm ecosystem has 333 million consumers and 21.1 million merchants as on March 31, 2021. In order to increase our customer and merchant base, we will continue to incur substantial costs towards marketing and promotional expenses, product and engineering talent to build technology solutions, expanding our sales team, providing devices and services to merchants to enable them to service and expand their consumer base and strengthening our technology powered payments platform to provide our consumers and merchants with a greater access to technology and financial services.

In light of the above, we propose to utilize ₹ 43,000 million out of the Net Proceeds towards the following key factors:

A) ***Marketing and promotional expenses***:

We have historically made substantial investments in marketing and promotional activities, especially for acquisition of consumers and enhancement of our brand equity, through our marketing efforts, which involve a combination of: (i) online channels, such as, digital brand and performance advertising campaigns, paid search engine marketing, and using other digital marketing tools; (ii) offline channels, such as, print, radio, television and mass-media campaigns, including sponsorship of sporting events, cricket in particular; and (iii) targeted communication through continuous engagement on social media platforms and personalized messages/push notifications. Whilst there has been a significant reduction in marketing and promotional expenses in FY 2021 compared to FY 2020, we intend to continue our focus on marketing and promotional activities to reach out to new as well as existing consumers, strengthen our engagement with them as well as promote our brand.

B) ***Expanding our merchant base and deepening our partnership with our merchants***:

Our merchants are integral to our Paytm ecosystem and we incur significant cost in maintaining a large sales team to retain and grow our merchant base. As part of our strategy, we plan to continue our investments in maintaining and expanding our merchant network while also deepening our partnerships with existing merchants.

We propose to continue our investments in our sales team by recruiting, retaining and training sales personnel as well as equipping them with the necessary technology. This would enable us to reach more merchants in the cities where we already have a presence as well as to expand our service and product offerings to merchants in new towns and cities in India where we see opportunities to grow our merchant base.

In addition to the above, we provide our merchants access to a full suite of services and devices which include Paytm QR code, Soundbox or POS devices, Paytm all-in-one payment gateway infrastructure to enable them to service and expand their customer base. As we increase the number of merchants who use our Paytm ecosystem, we intend to use a portion of the Net Proceeds towards providing them with the products and services mentioned above.

C) ***Strengthening and expanding our technology powered payments platform***:

We are a technology-driven company and our payments platform is the core of our Paytm ecosystem. Investment in our payments platform and offerings is essential to our growth opportunities and results of operations. We constantly endeavor to innovate in the Indian payments landscape by building products and services for consumers and merchants. For instance, in the past we have launched Paytm Wallet, Paytm QR code and Paytm Soundbox. In addition to this, we invest a significant amount of time and resources in enhancing the user experience and reviewing needs of our consumers and merchants, and expanding our technological capabilities.

We have in the past invested significantly in order to expand our technology capabilities, technology teams and strengthen our platform to host more services and products and to improve user experience for the consumers and merchants. We will continue to invest in developing, expanding and enhancing our technological capabilities, and accordingly intend to use a portion of the Net Proceeds towards this objective.

Proposed deployment schedule:

We intend to deploy the Net Proceeds towards funding growth of our Paytm ecosystem, including acquisition of consumers and merchants over the next five Financial Years from listing of the Equity Shares pursuant to the Offer, in accordance with the business needs of the Company.

2. Investing in new business initiatives, acquisitions and strategic partnerships

In pursuit of our overall strategy to serve our consumers and merchants better in the areas of payments, financial services, commerce and cloud, we may foray into new lines of businesses that enhance our Paytm ecosystem. This results in our continued pursuit of new business initiatives, and opportunities for evaluating potential targets for strategic investments, acquisitions, and partnerships, that complement our product and service offerings. The objective of this is to increase the products and services we provide, strengthen or establish our presence in our targeted domestic and overseas markets, and/or enable us to gain access to technology. Further, we will continue to leverage our technology-powered payments platform to grow these new businesses which we develop, acquire or invest in.

In light of the above, we expect to utilize ₹ 20,000 million out of the Net Proceeds to continue funding such new business initiatives, acquisitions and strategic partnerships that we may undertake in future.

A. <u>Investments in new business initiatives</u>

From a cashless digital payments platform, we have been able to develop, introduce and scale-up a number of new business initiatives for our Paytm ecosystem, in collaboration with financial institution partners, such as Paytm UPI, Paytm Wallet, Paytm Postpaid, Paytm Food Wallet, Paytm FASTag, Paytm Ads, travel and entertainment ticketing, online games, digital banking services, digital lending, insurance broking, and wealth management.

Leveraging the reach, of our payments platform, we have been able to continuously add new payments offerings, as well as expand into commerce and cloud services and financial services.

Track record of developing new products and new business initiatives:

We have a track record of developing new products and new business initiatives. For more details, see "***Our Business***" on page 155. Set forth below is a brief description of certain new business initiatives undertaken by our Company.

i) <u>Payment services</u>:

We have launched a number of new business initiatives under our payment services vertical for both consumers and merchants. For our consumers, we have provided payment offerings including online bill payments, recharges and money transfers on Paytm app, online payments on third party apps and in-store payments through QR code and devices. We have, in partnership with financial institution partners, incubated and introduced Paytm Payment Instruments such as Paytm Wallet, Paytm UPI, Paytm Postpaid (buy-now pay-later product), Paytm Food Wallet, Paytm FASTag, etc. For our merchants, we have developed and introduced new initiatives including in-store payment via Paytm QR code, Soundbox or POS devices, online payment via Paytm All-in-One Payment Gateway infrastructure, and Paytm Business Payments.

ii) Commerce and cloud services:

We offer our commerce services through our Paytm app (for consumers and merchants) and Paytm for Business app (primarily for merchants). We offer our cloud services through Paytm Cloud (Paytm AI or PAI). We have been innovating in the commerce and cloud services space, launching new products and offerings including ticketing, travel, listing of Mini Apps and advertising for small developers and businesses and developing loyalty programs for merchants to provide loyalty benefits to their consumers.

iii) Financial services:

We have innovated, incubated and launched a number of new initiatives across multiple verticals in our financial services business, including in collaboration with financial institution partners, such as - Paytm Gold, insurance broking, Paytm Payments Bank, Paytm Postpaid and wealth management services through the Paytm Money App. Paytm Payments Bank, in which we own 49% of shareholding, also provides mobile banking services through the Paytm App to its customers.

For more details, see "***Our Business***" on page 155.

Proposed form of investment and nature of benefit expected to accrue:

We propose to continue making investments in new business initiatives by directly financing all or a portion of the incubation costs, technology infrastructure costs as well as other related ancillary costs from the Net Proceeds. We may decide to launch some of our new business initiatives through subsidiaries or through investing in joint venture with other technology partners and may invest through equity or debt or any other instruments in these subsidiaries or joint ventures or associates as may be decided by the board of directors of the Company from time to time. Any additional funding requirements for the new business initiatives shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or debt financing or any combination thereof.

We believe that our investment in new and innovative business initiatives is key to our success as a technology powered payments platform and Paytm ecosystem and we believe that the benefits and returns on our investments in new business initiatives, products and services will drive our future results of operations.

B. Investments in acquisitions and strategic partnerships

We continue to selectively pursue opportunities for evaluating potential targets for strategic investments, acquisitions, and partnerships, that complement our technology powered payments platform and Paytm ecosystem, or strengthen or establish our presence in our targeted domestic and overseas markets, or enable us to gain access to technology. We propose to utilize our Net Proceeds towards investment in such inorganic expansion of our business operations as well as in new geographies.

Track record of acquisitions and strategic partnerships by our Company:

We have undertaken inorganic expansion including through partnership with other technology or business partners as well as through acquisitions and we continue to explore such international opportunities where we can either launch our merchant services, such as payment gateway and devices, or collaborate with partners to launch consumer facing platforms.

For example,

- we acquired Orbgen Technologies Private Limited, the firm that operates online ticketing platform TicketNew, in 2018;
- we acquired a majority stake in Wasteland Entertainment Private Limited in 2017 through which we integrated events listed on Insider.in with Paytm app; and

- we acquired a majority stake in Little Internet Private Limited, which provides marketing solutions to local merchants.

Investment process for acquisitions and strategic partnerships:

The typical framework and process followed by us for acquisitions and strategic partnerships involves identifying the strategic investments or acquisitions in targets or partners who has products or businesses that can (a) help us increase our reach to consumers or merchants, or (b) help increase the engagement of our consumers or merchants with the Paytm ecosystem, or (c) help provide services to our consumers or merchants that can increase our revenues. On satisfactory conclusion of the diligence exercise, we enter into definitive agreements to after the approval of our Board and the shareholders, if required.

As on the date of this DRHP, we have not identified any specific targets with whom we have entered into any definitive agreements.

Proposed form of investment and nature of benefit expected to accrue:

The criteria discussed above will also influence the form of investment for these potential acquisition and strategic partnership prospects, i.e., whether they will involve equity, debt or any other instrument or combination thereof. At this stage, our Company cannot determine whether the form of investment will be equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds used towards this object of the Offer may not be the total value or cost of any such strategic initiatives, but is expected to provide us with sufficient financial leverage to enter into binding agreements. In the event that there is a shortfall of funds required for such strategic initiatives, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or debt financing or any combination thereof.

Proposed deployment schedule:

We intend to deploy the Net Proceeds towards funding investments in new businesses initiatives over the next five Financial Years and towards funding investments in acquisitions and strategic partnerships over the next five Financial Years from listing of the Equity Shares, in accordance with the business needs of the Company.

3. ***General corporate purposes***

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, (i) employee and other personnel expenses, (ii) funding growth opportunities and new business initiatives, (iii) strengthening marketing capabilities and brand building exercises, (iv) meeting ongoing general corporate contingencies, (v) enhancing our technology powered payments platform and related infrastructure, (vi) funding any shortfall in any of the abovementioned objects; and (vii) any other purpose, as may be approved by the Board of Directors or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any.

Offer-related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (a) the listing fees which shall be borne solely by our Company; and (b) fees for counsel to the Selling Shareholders, if any, which shall be borne solely by the respective Selling Shareholders, all Offer expenses will be shared by our Company and the Selling Shareholders, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders respectively, through the Offer for Sale. Any such Offer expenses paid by our Company on behalf of the Selling Shareholders in the first instance will be reimbursed to our Company, by the Selling Shareholders (severally and not jointly) to the extent of their respective proportion of Offer related expenses upon the successful completion of the Offer. In the event of withdrawal of the Offer or if the Offer is not successful or consummated, all costs and expenses (including all applicable taxes) with respect to the Offer shall be borne solely by the Company.

The estimated Offer expenses are set forth in the table below.

(*₹ in million*)

Activity	**Estimated expenses***	**As a % of the total estimated Offer expenses**	**As a % of the total Offer size**
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs(1)(2)	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to other advisors to the Offer	[●]	[●]	[●]
Fees to regulators, including Stock Exchanges	[●]	[●]	[●]
Others (i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory expenses; (ii) Printing and distribution of stationery; (iii) Fees payable to legal counsels; and (iv) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* *Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

(1) Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer Price) would be as follows:

Portion for Retail Individual Investors	*[●]% (plus applicable goods and services tax)*
Portion for Eligible Employees	*[●]% (plus applicable goods and services tax)*
Portion for Non-Institutional Investors	*[●]% (plus applicable goods and services tax)*

Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail

Individual Investors, Eligible Employees and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSBs for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax).

(2) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).

Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

Interim use of funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge loan

Our Company has not raised any bridge loans from any banks or financial institutions, which are proposed to be repaid from the Net Proceeds.

Monitoring of utilization of funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilization of Net Proceeds prior to the filing of the Red Herring Prospectus, as the Fresh Issue size exceeds ₹ 1,000 million. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilization of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilized, if any, of such currently unutilized Net Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations.

In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013.

Appraising entity

None of the Objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/financial institution.

Other confirmations

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with any of our Directors or Key Managerial Personnel or Group Companies, and no part of the Net Proceeds will be paid to our Directors or our Key Managerial Personnel, except in the ordinary course of business. Our Company does not have any promoters or promoter group as on the date of this Draft Red Herring Prospectus.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should refer to "***Risk Factors***", "***Our Business***", "***Restated Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 35, 155, 256 and 383, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for the Offer Price are:

1. Our ecosystem allows us to address large market opportunities;
2. Our trusted brand, scale and reach;
3. Our deep insights of Indian consumers and merchants;
4. Our product and technology DNA;
5. Our network effect creates sustainable advantages for us; and
6. Our leadership and our distinctive culture.

For further details, see "***Risk Factors***" and "***Our Business***" on pages 35 and 155, respectively.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Statements. For further information, see "***Financial Information***" on page 256.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings per Equity Share, as adjusted for changes in capital

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021	(28)	(28)	3
March 31, 2020	(49)	(49)	2
March 31, 2019	(75)	(75)	1
Weighted Average	**(43)**	**(43)**	**-**

Notes:

1. *Basic EPS = Restated consolidated profit for the year attributable to equity holders of the Company divided by Weighted average number of equity shares outstanding during the year, excluding treasury shares.*
2. *Diluted EPS = Restated consolidated profit for the year attributable to equity holders of the Company divided by Weighted average number of diluted equity shares outstanding during the year, excluding treasury shares.*
3. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}*
4. *EPS has been calculated in accordance with the Indian Accounting Standard 33 – "Earnings per share"*
5. *The face value of equity shares of our Company is ₹1. The Company in its annual general meeting held on June 30, 2021, after the Balance Sheet date of March 31, 2021, has approved sub-division of each equity share of ₹10 each into 10 Equity Shares of ₹1 each. The computation given above is after taking into account share sub-division and hence above information is not derived from Restated Financial Statements.*

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹[●] to ₹ [●] per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS of ₹ [●] for Fiscal 2021	[●]	[●]
Based on diluted EPS of ₹ [●] for Fiscal 2021	[●]	[●]

Industry P/E ratio

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company

3. Return on Net Worth ("RoNW")

Fiscal ended	RoNW (%)	Weight
March 31, 2021	(26.0) %	3
March 31, 2020	(35.1) %	2
March 31, 2019	(73.0) %	1
Weighted Average	**(36.9) %**	-

Notes:

1. *Return on Net Worth (%) = Restated loss for the year attributable to equity shareholders of the Company divided by net worth.*
2. *Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. {(RoNW x Weight) for each year} / {Total of weights}*

4. Net Asset Value ("NAV")

Net Asset Value per Equity Share	(₹)
As on March 31, 2021	108
After the Offer	[●]
Offer Price	[●]

Note:

1. *Net Asset Value per equity share represents net worth as at the end of the fiscal year divided by the number of Equity Shares outstanding at the end of the year, excluding treasury shares. The Company in its annual general meeting held on June 30, 2021, after the Balance Sheet date of March 31, 2021, has approved sub-division of each equity share of ₹10 each into 10 Equity Shares of ₹1 each. The computation given above is after taking into account share sub-division..*

5. Comparison with Listed Industry Peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "***Risk Factors***" on page 35 and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price of ₹[●] has been determined by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, on the basis of the assessment of market demand from investors for the Equity Shares through the Book Building process. The Offer Price will be [●] times of the face value of the Equity Shares. Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, are justified of the Offer Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with "***Risk Factors***", "***Our Business***", "***Financial Information***" and "***Management's Discussion and Analysis of Financial Conditions***" on pages 35, 155, 256 and 383, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in "***Risk Factors***" on page 35 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The Board of Directors
One97 Communications Limited
B-121, Sector 5, Noida
Uttar Pradesh - 201301

Dear Sirs,

Sub: Statement of possible Special Tax Benefits available to One97 Communications Limited ('the Company') and its shareholders under the Indian tax laws

1. We refer to the proposed initial public offering of equity shares (the 'Offer') of the company. We enclose herewith the Statement (refer **Annexure**) showing the current position of the possible special tax benefits available to the Company and its shareholders under the provisions of:

   a. the Income-tax Act, 1961 **("the Act")**, as amended by the Finance Act, 2021 read with the Income-tax Rules, 1962, i.e. applicable to the Financial Year 2021-22 relevant to the assessment year 2022-23,
   b. the Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 / relevant State Goods and Services Tax Act ("**SGST**") read with rules, circulars, and notifications ("**GST law**"),
   c. the Customs Act, 1962, the Customs Tariff Act, 1975 ("**Customs law**"), and
   d. the Foreign Trade Policy 2015-2020 ("**FTP**") as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22, relevant to the assessment year 2022-23, presently in force in India (together referred to as 'the **Tax Laws**').

   Several of these benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Statement covers only the possible special tax benefits available to the Company and to the shareholders of the Company and do not cover any general tax benefits available to the Company and its shareholders.

3. The benefits discussed in the enclosed Statement are neither exhaustive nor conclusive. The contents stated in the Statement are based on the information and explanations obtained from the Company.

4. We are informed that this Statement is only intended to provide general information to the investors/ third parties and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of their participation in the initial public offer. We are neither suggesting nor advising the investors to invest in the initial public offer relying on this Statement and do not assume any responsibility towards the investors/ third parties who may or may not invest in the initial public offer relying on the Statement.

5. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update the Statement in case of any events subsequent to this date, which may have a material effect on the discussion herein.

6. We do not express any opinion or provide any assurance as to whether:

- the company or its shareholders will obtain/ continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits have been/ would be met with; or
- the revenue authorities/ courts will concur with the views expressed herein.

7. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

8. This Statement is prepared solely for inclusion in the draft red herring prospectus in connection with the initial public offer of equity shares of the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and is not to be used, referred to or distributed for any other purpose.

For **S R B C & Associates LLP**
Chartered Accountants
(ICAI Firm Registration No. 0012541S)

Kirit Kamdar
(Membership No. 039330)
UDIN – 21039330AAAAAB6748

Place: Mumbai
Date: July 15, 2021

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ONE97 COMMUNICATIONS LIMITED ("COMPANY") AND COMPANY'S SHAREHOLDERS ("SHAREHOLDERS")

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

The Statement of tax benefits enumerated below is as per the Income-tax Act, 1961 ("**the Act**") as amended by the Finance Act, 2021 and applicable to Financial Year ('FY') 2021-22 relevant to Assessment Year ('AY') 2022-23.

(1) Lower corporate tax rate under section 115BAA of the Act

A new section 115BAA has been inserted in the Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. April 1, 2020 (AY 2020-21). Section 115BAA grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for section 115BAA of the Act, it can pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess[3]). Section 115BAA of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profit' under section 115JB of the Act.

However, such a company will no longer be eligible to avail certain specified exemptions / incentives under the Act and will also need to comply with certain other conditions specified in section 115BAA of the Act. Also, if a company opts for section 115BAA, the tax credit (under section 115JAA), if any, which it was entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

(2) Deduction in respect of employment of new employees – Section 80JJAA of the Act

Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction, under the provisions of section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

(3) Lower tax rate for dividend received from foreign companies

As per section 115BBD of the Act, the dividend received from a company outside India in which the Indian company holds 26% or more of the equity share capital, is taxable at the rate of 15% plus applicable surcharge and cess under the Act. However, no deduction in respect of any expenditure is allowable while computing the income from such dividend received from a company outside India.

In view of the above, considering that the Company holds more than 26% of equity share capital of the foreign companies, dividend, if any, received during FY 2021-22 shall be subject to tax at the rate of 15% plus applicable surcharge and cess under the Act. Further, credit for the taxes paid / withheld in overseas jurisdiction may be available to the Company in accordance with the provisions of the Act and the provisions of Double Tax Avoidance Agreement ('DTAA') read with the provisions of Multilateral Instruments, if any based on the facts of each case.

(4) Deduction in respect of inter-corporate dividends – Section 80M of the Act

Up to 31 March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax ("DDT"), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance

[3] Under the provisions of the Act applicable to FY 2021-22 relevant to AY 2022-23, a domestic company is subject to a Surcharge of 10% on the tax liability and further, enhanced by an education cess of 4% of the total tax liability and Surcharge

Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1 April 2020 is liable to tax in the hands of the shareholder. The Company is required to deduct tax at source ("TDS") at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a resident corporate shareholder, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. Subject to the fulfilment of prescribed conditions, the section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust which does not exceed the amount of dividend distributed by it on or before the due date. The "due date" means the date one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 of the Act.

B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

(1) Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, surcharge on such tax would be restricted to 15%, irrespective of the amount of total income.

(2) Section 112A of the Act provides for concessional tax rate of 10% (plus applicable surcharge and cess) on long-term capital gains (exceeding Rs. 1,00,000) arising from the transfer of equity shares or units of an equity oriented fund or units of a business trust, if Security Transaction Tax ('STT') has been paid on both acquisition and transfer of such shares / units and subject to fulfilment of other prescribed conditions (including Notification No. 60/2018/F.No.370142/9/2017-TPL dated 1 October 2018). The benefit of foreign currency exchange difference and indexation, as provided under the first and second proviso to section 48 of the Act, shall not be applicable for computing long-term capital gains taxable under section 112A of the Act.

(3) Section 112 of the Act provides for taxation of long-term capital gains, resulting on transfer of *inter-alia*, listed shares of the company (other than those covered under section 112A), which shall be lower of the following:

a. 20% (plus applicable surcharge and cess) with indexation benefit; or
b. 10% (plus applicable surcharge and cess) without indexation benefit

(4) As per the provisions of section 111A of the Act, short-term capital gains arising from transfer of equity shares in the Company through a recognized stock exchange and subject to STT shall be taxable at a concessional rate of 15% (plus applicable surcharge and cess, if any).

(5) In respect of non-resident shareholders, the tax rates and the consequent taxation shall be further subject to benefits, if any, available under the applicable Double Taxation Avoidance Agreement read with the provisions of Multilateral Instruments, if any, between India and the country in which the non-resident has fiscal domicile.

(6) Where the gains arising on transfer of shares of the Company are included in the business income of a shareholder and assessable under the head "Profits and Gains of Business or Profession" and such transfer is subjected to STT, then such STT shall be a deductible expense from the business income as per the provisions of section 36(1)(xv) of the Act.

(7) As regards the shareholders that are Mutual Funds, under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

(8) Resident as well as non-resident buyers should independently evaluate their obligations to withhold tax on transaction involving transfer of shares by the shareholders of the company in light of the provisions of section 194Q/ section 195 and other provisions of the Act.

Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the Act.

STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "**Indirect tax**").

A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special Indirect Tax benefits available to the Company.

B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special Indirect Tax benefits available to the shareholders of the Company.

Notes to the above:

1. We have not considered general tax benefits available to the Company or shareholders of the Company. The above Statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.

2. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

4. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

SECTION IV- ABOUT OUR COMPANY

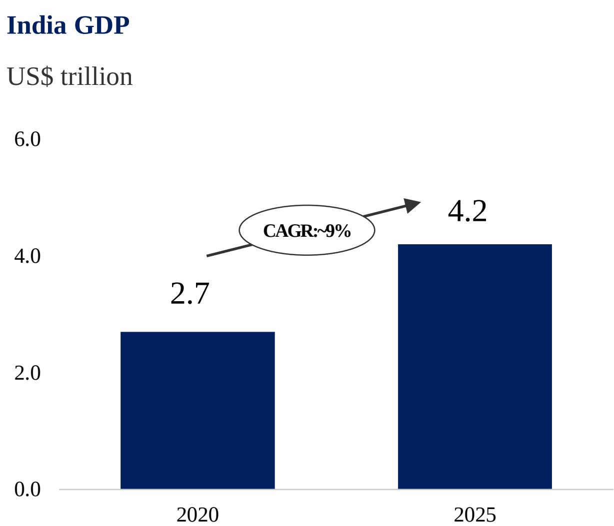
INDUSTRY OVERVIEW

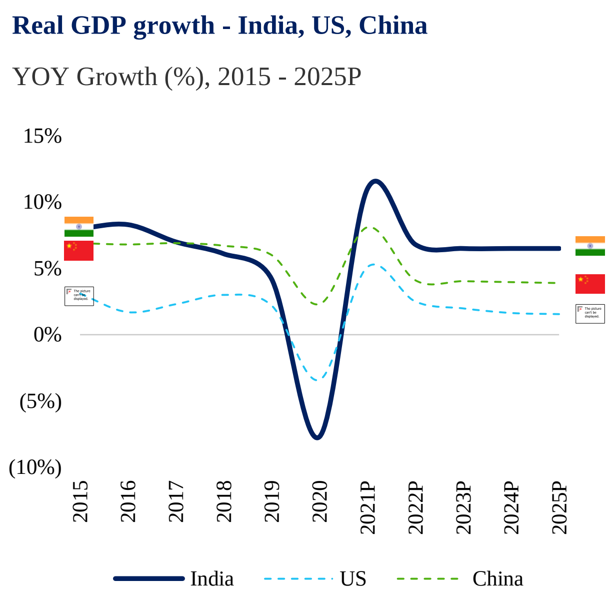
Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been commissioned by us in connection with the Offer. Neither we, nor the Managers, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the RedSeer Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.

Overview of the Indian economy

With a Gross Domestic Product, of approximately US$2.7 trillion in 2020, India is the sixth largest economy according to World Economic Outlook database. Since 2015, India has witnessed an average real GDP growth rate of more than 7% per year and has consistently been one of the fastest growing large economies.

Post COVID-19, India is on strong recovery track and country's GDP growth rate is projected at approximately 9% per annum in real terms during 2020-2025, highest among the larger economy leading to India becoming a US$ 4.2 trillion economy by 2025. In 2020, Government announced special COVID-19 relief economic package of ~US$ 270 billion to revive the Indian economy and industrial sector. As per Centre for Economics and Business Research ("**CEBR**"), India is expected to become the third largest economy in the world by 2030.





Key underlying growth drivers of Indian economy

Favorable Demographics

As of 2020, India has 745 million people in the working age group as compared to 172 million in US and 849 million in China. India is one of the youngest nations in the world, with a median age of 28 compared to 38 in China and the United States, 43 in Western Europe, and 48 in Japan. India has 700 million generation Z and millennials, largest in the world.

Urbanization

At 450-500 million, India has one of the highest urban population in the world, which is 1.4 times the total population of the USA. India's urban population is expected to further grow to 550 million by the FY 2026. Urbanization is expected to drive substantial investments in infrastructure development, which, in turn lead to job creation, development of modern consumer services and increased ability to mobilize savings driving overall GDP growth.

Rising Middle Class Population

Indian middle class is 55-57% of the population currently, and is likely to be 65%+ of population by 2030. The growth will be that of rapid upward mobility of the lower income classes, which will witness growth in incomes through urbanization, more democratized access to information, increasing employment opportunities which will drive consumer spending.

Rising consumption

As per World Economic Forum estimates, India is likely to be the third largest consumer market by 2030 driven by development of communication infrastructure, education, rising impetus on capex spends by the Government, and more job opportunities. The private consumption is expected to increase from US$ 1.6 trillion in 2019 to US$ 2-2.5 trillion in 2025.

Reforms by the Indian Government to boost growth

- Government focus towards improving rural sector spending capacity, infrastructure creation and inviting foreign investments will continue to boost growth. Key reforms and policies introduced by Government in last few years:

- Launched the 'Make in India' campaign in 2014 to showcase India as a global design and manufacturing hub. The campaign focuses on 25 selected sectors, including technology, construction, and biotechnology

- Introduced Goods and Services Tax (GST), a major initiative to ease tax system in the country bringing all taxes into one single window brining in simplicity and transparency

- Eased FDI norms across several sectors, including insurance, defense, single brand retail, construction etc. to improve investor sentiment and encourage further foreign investment. India is among top 10 recipients of FDI globally.

- Launched initiatives like Digital India, Start-up India, e-Governance and Skill India to position India's digital economy for the next phase of growth

- Launched Pradhan Mantri Jan Dhan Yojna (PMJDY) scheme focusing on financial inclusion for the needy, in order to give access to financial services such as savings and deposit accounts, remittance, credit, insurance, pension, etc. at affordable rates. As of June,2021 there are 425 million beneficiaries of the scheme and has US$ 20 billion in deposits

- Reduced corporate tax rates to provide boost to corporates

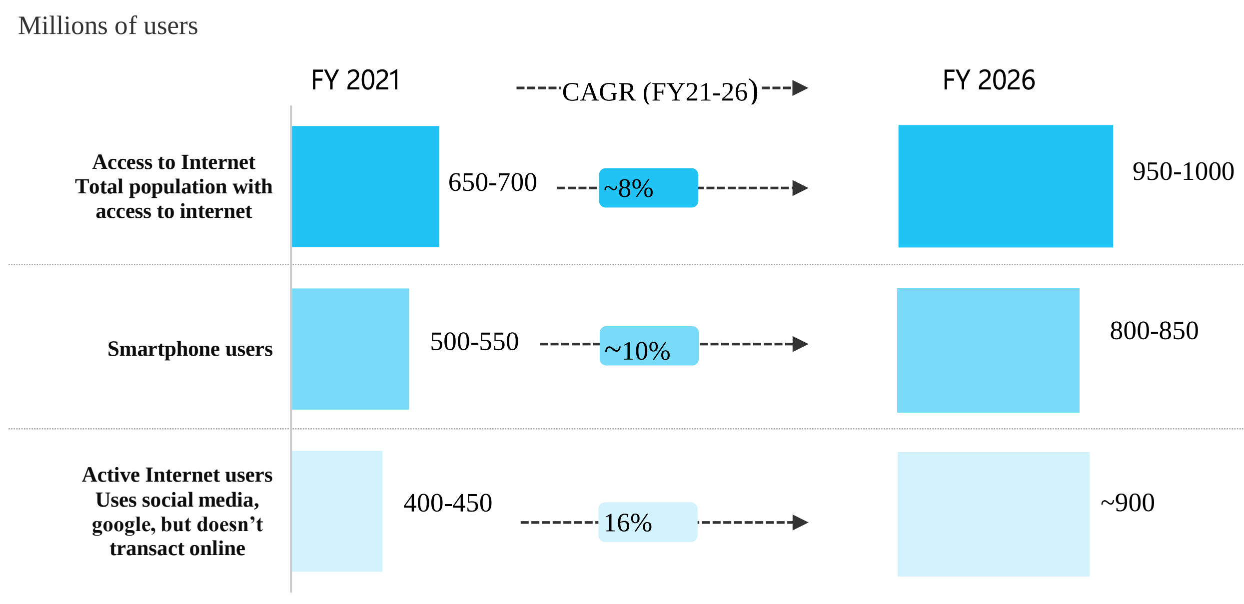
<u>Evolving Digital landscape in India</u>

Technology is playing an important role by increasing reach and accessibility for merchants and consumers. The revolution of mobile and cloud technology, combined with growing incomes and higher consumption rates in India, is at a digital tipping point.

Over the last decade, India added 500 million+ new smartphone users. With higher affordability, reducing smartphone costs (average smartphone cost being less than US$ 150) and availability of greater variety of value smartphones, the number of smartphone users expected to reach 800-850 million in FY 2026, representing more than 55% of total population and 80% of internet users.

In FY 2021, 650 - 700 million Indians had access to the internet and the number is expected to increase to over 950-1,000 million by FY 2026 representing more than 70% of the total population, this is primarily driven by increasing smartphone penetration, reducing data cost, new technology innovations and Government's push towards digitization. As per TRAI, the data usage per data subscriber rose to 141 GB in 2020 from 3 GB in 2014 whereas, data cost declined from INR 269 / GB to INR 10.9/ GBin 2020

India to have approximately 1 billion internet users by FY 2026



Indian Government has taken several initiatives to catalyze the process of digital adoption by consumers, governance and businesses. The Digital India initiative mainly consists: universal digital literacy, delivering all Government services to citizens digitally, and development of secure and stable digital infrastructure. Some key achievements of the Digital India Initiative:

- Aadhaar – providing every resident with a unique identity number
- BharatNet – initiative to trigger a broadband revolution in rural areas
- DigiLocker – digital locker to store and access documents/certificates such as driving license, vehicle registration, academic mark sheet in digital format

Indian Government is making continuous efforts to increase fiber to the home penetration and launch 5G services. Currently 5G launch is expected in 2022, shift from 4G to 5G will be multi-dimensional and magnitudes higher than the shift from 3G to 4G. 5G will enable a lot of new spectrum to be put to use and it can pack more data than 4G for the same amount of spectrum. This will help in powering Digital India further.

Technology has changed the consumption pattern and the way businesses run. Retail commerce is one such area where technology has disrupted traditional businesses. Today food, grocery and goods from around the world are at our disposal and delivered at door-steps. Emergence of fintech players with innovative business model have changed the way consumers and merchants transact, lend and borrow, invest their money etc. The travel industry has also changed with online ticket booking, discounting, holiday packages, loyalty programs and much more. Merchants, small business owners and large scale retailers all have benefited from the ability to address a wide consumer base that comes from developments in e-logistics, foodtech, fintech and e-commerce.

Digitization Changing the Way People Transact in India

Indian payment system has evolved significantly in since 1980. For a long time cheque clearing systems dominated the payment landscape in India. The cheque clearing system underwent significant transition from Magnetic Ink Character Recognition (MICR) in 1980's to the cheque truncation system first introduced in 2008.

In 2004, Real-Time Gross Settlement (RTGS), was launched. RTGS is mainly used for higher value transfers that require immediate clearance. In 2005, National Electronic Funds Transfer (NEFT) was introduced enabling transfer of fund between any two NEFT-enabled bank accounts on one to one basis and in 2010 Immediate Payment Service (IMPS) was launched.

In 2008, National Payments Corporation of India (NPCI) was set up as an umbrella organization for retail payment system. It is an initiative of RBI and Indian Banks Association (IBA) to create a robust payment and settlement infrastructure in India. In last 10 years, it has introduced various digital platforms and mode of payments such as:

- Unified Payments Interface (UPI): single mobile application for accessing different bank accounts, facilitates easy transactions using a simple authentication method

- RuPay: supports the issuance of debit, credit and prepaid cards by banks

- Aadhaar Enabled Payment System (AePS): Bank led model which allows online interoperable financial inclusion transaction at PoS through the business correspondent of any bank using the Aadhaar authentication

- NPCI has also developed the National Electronic Toll Collection (NETC) program to provide for a digital payment option at toll plazas across the country through a FASTag. All National highway toll plazas are mandated to have a FASTag lane.

Reserve Bank of India has also taken several initiatives to promote financial inclusion and digitization of payment system:

- Payments Bank: objective of Payments bank is to widen the spread of payment and financial services to small business, low-income households, migrant labour workforce in secured technology-driven environment. With payments banks, RBI seeks to increase the penetration level of financial services to the remote areas of the country

  A Payments bank is like any other bank without involving any credit risk. It can carry out most banking operations but cannot provide advance loans or issue credit cards. It can accept demand deposits (up to INR 200,000), offer remittance services, mobile payments/transfers/purchases and other banking services like ATM/debit cards, net banking and third party fund transfers. In 2015, RBI granted in-principle approval to 11 players and as of today, there are 6 functioning payment banks in the country

- In 2018, RBI issued guidelines to implement interoperability of PPI-wallets through UPI and PPI-cards through authorised card networks. PPIs are payment instruments that enable purchase of goods, services, and financial services against the amount stored on them. PPIs can be in the form of digital wallets or Cards.

  In May 2021, RBI also mandated PPI interoperability and increased the limit to 200,000 for full KYC PPIs. This will facilitate faster adoption of digital payments and financial inclusion in the country.

- RBI has recently released a framework to authorize the setting up of New Umbrella Entity (NUE) for retail payments. As of now NPCI is the sole organization with a variety of innovative payment systems. The new umbrella entities set up will be able to set up and manage new payment systems such as ATMs, white label PoS, remittance services. It will also help fulfil objectives of transparency, efficiency in payment systems, decongest NPCI and foster innovation.

Evolution of Indian Payment System

1980-81	• First credit card launch
1991	• Economic liberalization begins
2004	• National Financial Switch (NFS) launched by IDRBT
2005	• NEFT launched
2008	• Formation of NPCI to manage retail payments in India, which today has UPI, Rupay, NETC under its umbrella
2009-2010	• Launch of IMPS, RuPay and PPI (mobile wallets)
2012	• Launch of RuPay Cards through NPCI • Merchant Discount Rates structure for Debit Card Transactions given by RBI
2015-16	• Payments Bank are granted in principal approval by RBI • Digital India campaign launched • UPI and FASTag launched
2017	• Master Direction for PPI were issued by RBI, BBPS and BharatQR launched • Rationalisation of Merchant Discount Rate (MDR) for Debit Card Transactions by RBI
2018-19	• Prepaid Payment Instruments (PPIs) – Guidelines for Interoperability given by RBI, Launch of NCMC
2020	• QR Code Interoperability • RBI introduces V-CIP as an alternate for establishing customer identity

Emergence of Digital Payments

Digital payments have been growing steadily over time, however India continues to be cash driven economy. In FY 2021, digital payments market size by value stood at approximately US$ 20 trillion with 43 billion transactions during the year.

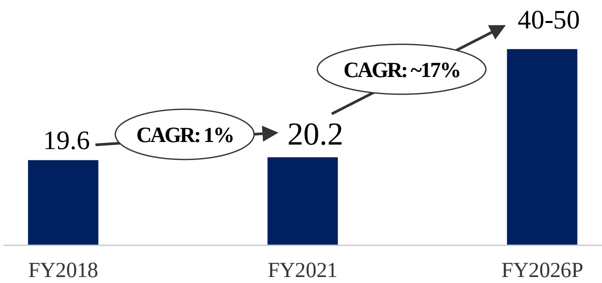
Consumers are rapidly switching to digital payments as it provides simple, safe and convenient ways to transfer money across accounts. Similarly, for merchants, acceptance of payments in digital form has increased significantly. Moreover, merchants have taken up digitization beyond merely accepting digital payments, digitization is helping them in other aspects of their business like credit, invoicing, maintaining ledger/accost, bookkeeping etc. helping their business to grow further.

One of the key examples of changing trends during COVID-19 was seen prominently in Kirana stores across the country. Kirana stores were responsible for driving essential retail consumption throughout the lockdown periods. With increased focus on social distancing, government guidelines deterring people from moving for safety concerns, merchants moved to digital mode of payments leading to increase in digital consumer to merchant payment volumes. Demonetization in 2016, also played a role in pushing merchants to accept payments digitally and led to growth in products like QR and wallets.

Several factors, including government initiatives and reforms, improving technology, increasing reach and awareness, digital payments are expected to more than double from US$ 20 trillion in FY 2021 to US$ 40-50 trillion by FY 2026.

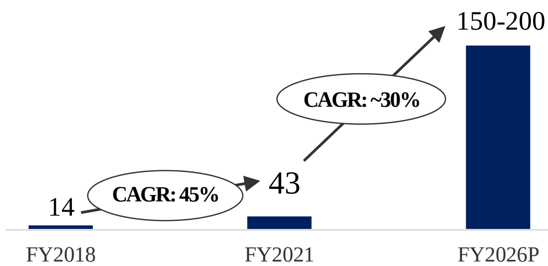
Total digital payments by value

US$ trillion



Total digital payments by volume

Billion



Notes:
Digital payments here include all categories classified by RBI including ECS, PPI, Card Payments, NACH, IMPS, UPI, NEFT and RTGS

This will be driven by growth in:

- Mobile payments, which includes mobile wallet and UPI. As unique mobile payment users increase from 252 million in FY 2021 to 650-700 million in FY 2026, mobile payments expected to increase by 5x crossing 100 billion payments in volume.
- Increasing digital payment adoption by merchants through POS machine, QR codes and payment gateway
- Digital payments being accepted by non-traditional merchants – e.g. vendors, each delivery person having a QR code etc.
- Increasing penetration of digital banking products

Mobile payments

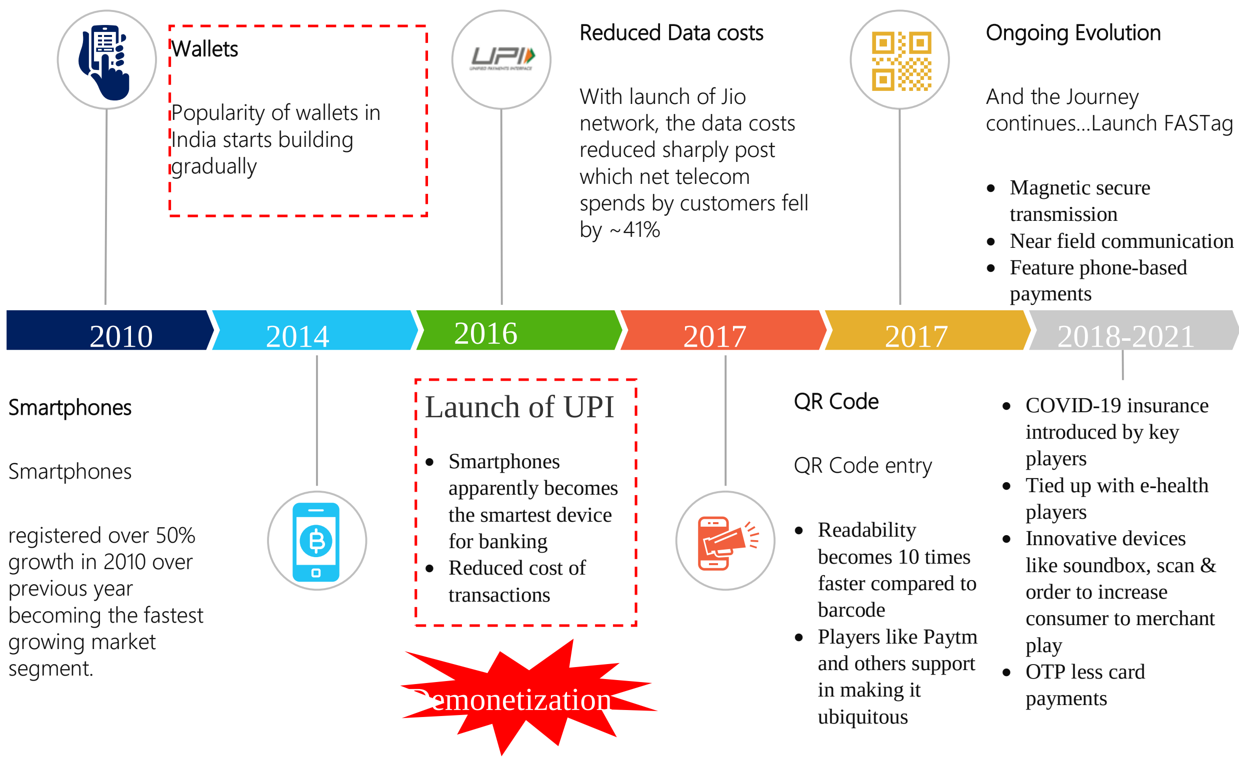
Mobile payments are mode of payment using mobile phones, this typically includes mobile wallets and UPI. There are various ways in which payment can be done using mobile, some of them are:

- Mobile wallets: allows to carry cash in digital format. Customers can link credit card or debit card information to mobile wallet applications or transfer money online to mobile wallets and use that for their purchases. Mobile wallets provide consumers with greater convenience, better security and control over expenses.

- Unified Payments Interface (UPI): Rolled out in August, 2016, it provides a simple, easy to use digital interface. Powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing and merchant payments into one hood. It has single click 2 factor authentication which is aligned with the Regulatory guidelines, yet provides for a very strong feature of seamless single click payment.

Money transfer between consumers and merchants using wallets or UPI, is becoming highly ubiquitous in India, and has led to a surge in mobile payments over the last few years. Mobile payments increased approximately 16 times from 1.6 billion in FY 2017 to 26 billion in FY 2021[4].

Evolution of mobile payment landscape in India

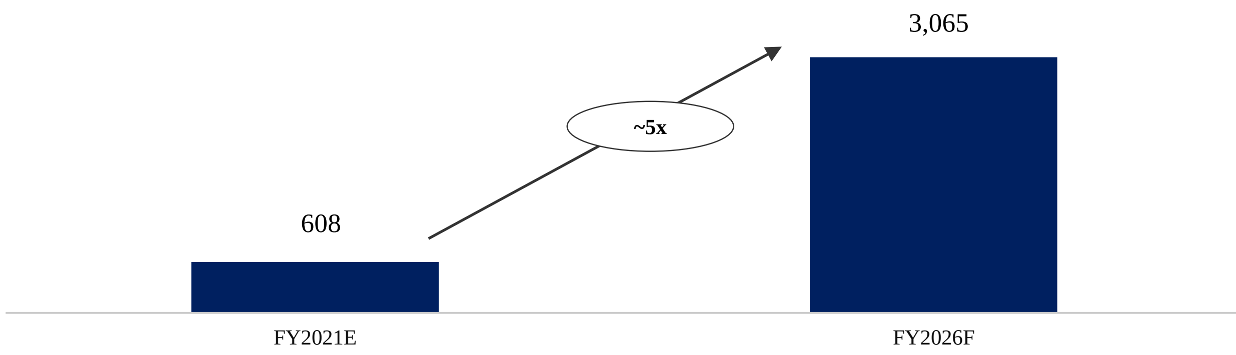


Mobile payments expected to reach ~ US$ 3.1 trillion by value by FY 2026

[4] NPCI data, includes overall consumer to consumer and consumer to merchant transactions

Mobile Payments by Value

US$ Bn

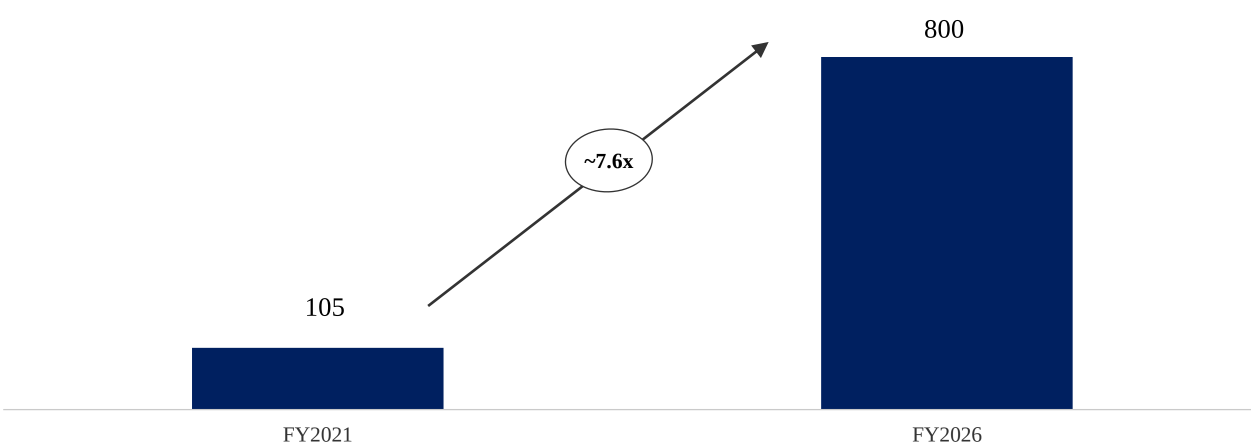


Notes: Includes UPI and Mobile wallet transactions

Mobile payments revolutionizing consumer to merchant payments segment which is expected to grow by ~7.6x in value by FY 2026

Mobile payments (consumer to merchant) by value

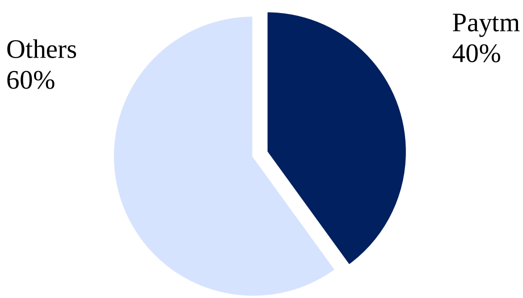
US$ Bn



In mobile payments consumer to merchant segment, Paytm is market leader in India. Paytm's market share across various mobile payment instruments:

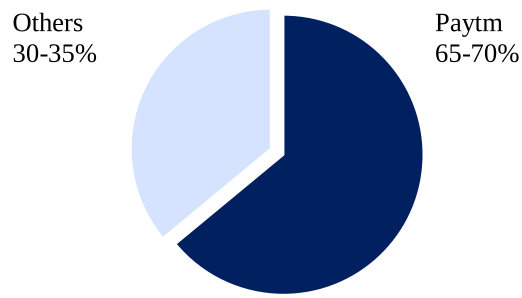
Consumer to Merchant

By Transaction Volume (FY 2021)



Consumer to Merchant Wallet Transactions

By Transaction Volume (FY 2021)

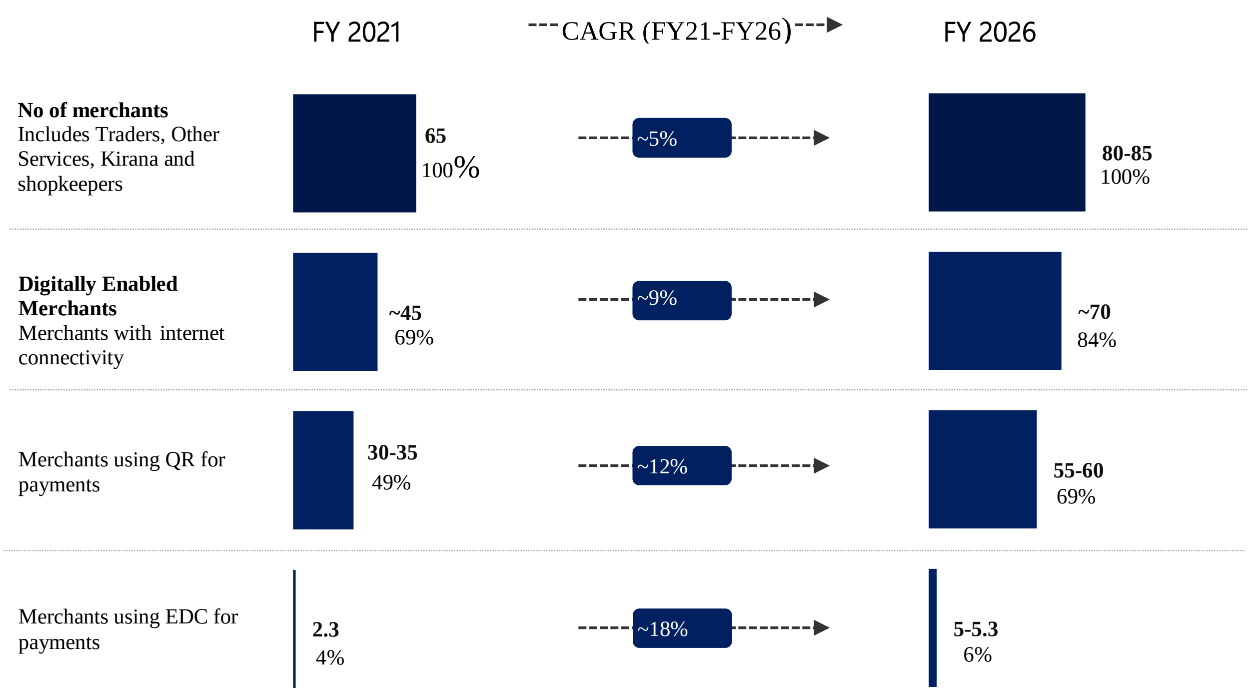


Digital Payment Adoption by Merchant

In India, there are approximately 65 million merchants of which 45 million have access to internet. Merchants including medium and small enterprises are rapidly adopting new age payment technology in order to offer hassle free shopping experience to their customers. Digital payment mode at merchants typically include QR code, Point of Sale (POS) machines and payment gateway.

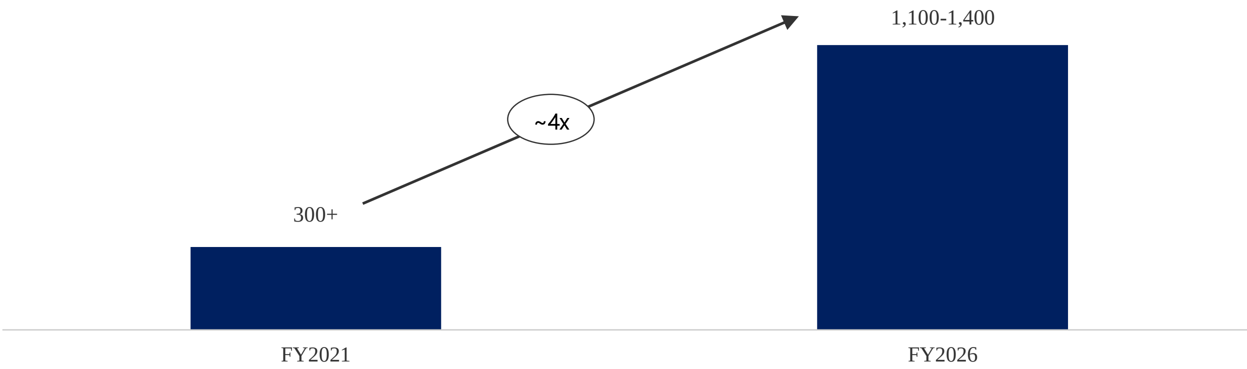
India Digital Payments Merchant Funnel

(#Merchants in million)



TPV of Digital Payments accepted by merchants (include QR code, POS machines and Payment Gateway)

US$ billion



QR Code

Payment via QR code is a contactless payment method where payment is performed by scanning a QR code from a mobile app. QR codes came as a revolutionary way to onboard merchants with the positives of lower acquisition cost and scalability. Currently, over 97 million QR codes are issued. In October 2020, RBI mandated proprietary QR players to implement QR code interoperability by March 2022 to facilitate seamless payments for customers.

According to RedSeer estimates, in FY 2021 there are 30-35 million unique merchants which are using QR codes for digital payments in India and expected to increase to 55-60 million by FY 2026. Out of all the players driving QR adoption, Paytm has the highest QR code coverage amongst merchants.

TPV of QR code is expected to increase from US$ 40 billion in FY 2021 to US$ 300-550 billion in FY 2026

POS machines

Point of Sale terminal is a hardware used for processing payments at retail locations. India's POS device base has been steadily expanding with 13% CAGR over FY 2017-2021. One of the biggest levers for strong POS deployment in FY 2017-2021 period was demonetization in Nov 2016, which led to the adoption of alternate payment modes such as cards and drove rapid POS adoption across merchants.

TPV of POS machines is expected to increase from US$ 94 billion in FY 2021 to US$ 275 billion in FY 2026[1]

Payment Gateways and Payment Aggregators

Payment Gateways and Payment Aggregators allow e-commerce businesses to process transactions on their website/ app. They allow payment acceptance through credit/debit cards, net-banking, e-wallets and UPI. A payment aggregator facilitates only payments by connecting merchants with payment acquirers. Paytm is the largest payment gateway aggregator in India based on total transactions, for the fiscal year ended March 31, 2021, with the widest ecosystem of payment instruments.

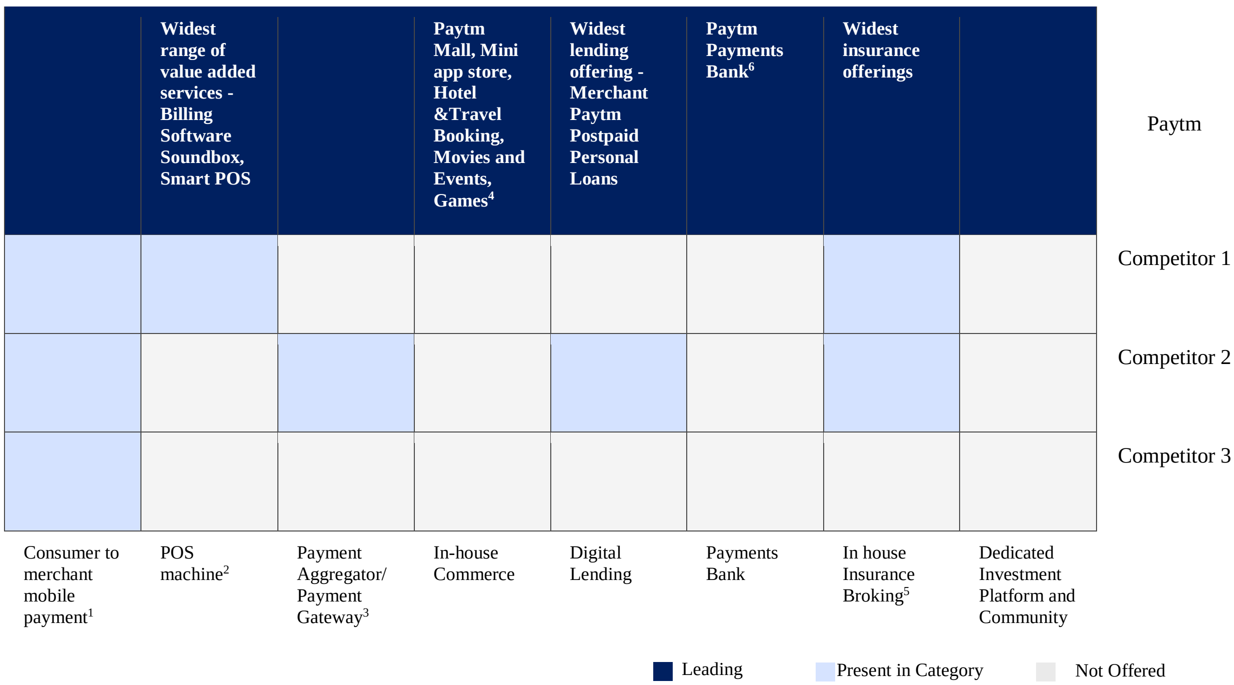
TPV of payment aggregator is expected to increase from US$ 170 billion in FY 2021 to US$ 550 billion in FY 2026

[1] TPV of Credit Card/Debit Card Payments at PoS machines

Paytm: India’s Leading Ecosystem for Consumers and Merchants

Paytm has the widest selection of payments, commerce and financial services

With increased acceptance of digital payments, more companies have started offering digital payment solutions. Paytm is the most integrated player with presence across various payment formats.



Notes:
1. Leading on basis of consumer to merchant market share
2. Leading on basis of value added services and offerings
3. Leading on basis of transaction market share
4. Also includes Recharges and Bill payments, Municipal Tax, FASTag, Metro, Nearby Stores, Donations etc.
5. Includes Bike, Car, Life, Health, Dengue, Covid-19, Mobile Protection, Personal Accident, Hospital Cash, Dental, Cyberfraud
6. Paytm Payments Bank is through a partner and not in-house offering

Paytm is Uniquely Positioned to Monetize the Payments Opportunity

Paytm offer consumers a wide variety of payment instruments, which include (i) major third-party instruments, such as debit and credit cards and net banking, and (ii) Paytm Payment Instruments including wallet, postpaid amongst other instruments. In addition, Paytm provides merchants with various products enabling them to accept payments digitally through Paytm Payment instruments and major third party instruments. Given wide suite offerings to merchants, ability to drive higher consumer engagement and stickiness through Paytm Payment instruments, Paytm has a unique monetization model compared to other peers

Rapid Growth of Commerce Services

Tech adoption across internet sectors has been accelerating in the last few years even before COVID-19, with major sectors like eGrocery, foodtech and eHealth seeing strong supply side action, ecosystem building and offering multiple digital services under one roof. Some of these sectors will exceed US$ 10 Billion in GMV terms by FY 2026, becoming mainstream consumption channels for India’s tech savvy consumers.

There are several factors due to which tech-savvy consumers prefer availing online services from shopping online to availing traditional financial services like insurance, investments, borrowing etc. Online services have significant advantages over traditional brick and mortar stores in terms of time saving, large catalogue of options, discount deals and coupons, returning process, purchase cancellation and even cash-on-delivery option. Online services offer the consumer convenience and benefit of availing services for anytime and anywhere.

Overall, across the India internet sectors, most sectors will be reaching high maturity by FY 2026 in GMV terms, accounting for a significant share of the overall consumption in that category- thus truly making India a digital economy. Further, unique online transacting users, are expected to grow from 250-300 million in FY 2021 to 700-750 million by FY 2026. This will further fuel growth of digital products and solutions across sectors.

Estimated market opportunity (US$ billions)	**FY 2021**	**FY 2026**	**CAGR**
Online Gaming	2.8	12-13	34%-36%
Travel Ticketing[1]	36	60	~9%
Film Ticketing[1,2]	2.6	3.5	5%
E-tail	41	140-160	28%-31%
E-grocery	3.7	22-27	43-49%
Online Food Delivery	2.7-3	13-14	36%
India Advertising[3]	9.3	20-25	20%

Notes:

1. Travel ticketing and film ticketing for the period FY 2020
2. Includes ticketing from major organized and unorganized players
3. India advertising data for the period CY2020 and CY2025

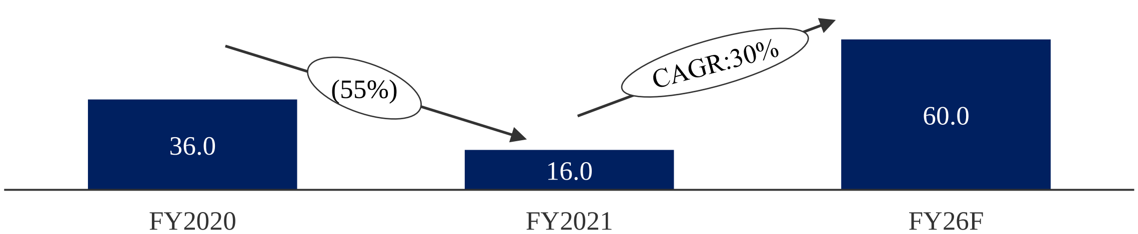
Travel, Entertainment - Ticketing

Over time, online ticket booking has witnessed steep growth due to convenience, offers and user-friendly. However, travel has been one of the worst hit sectors due to the pandemic. With countries globally shutting down international boundaries for prolonged periods of time, even states restricting movement of people the travel ticketing industry saw a dip of ~55% from FY 2020 to FY 2021 as people only travelled due to emergencies.

Today, the travel ticketing market stands at ~US$ 16 billion and is expected to recover strongly over the next two years post the second wave as vaccination rollouts drive greater confidence. The overall market is expected to reach US$ 60 billion by FY 2026.

Travel Ticketing Market

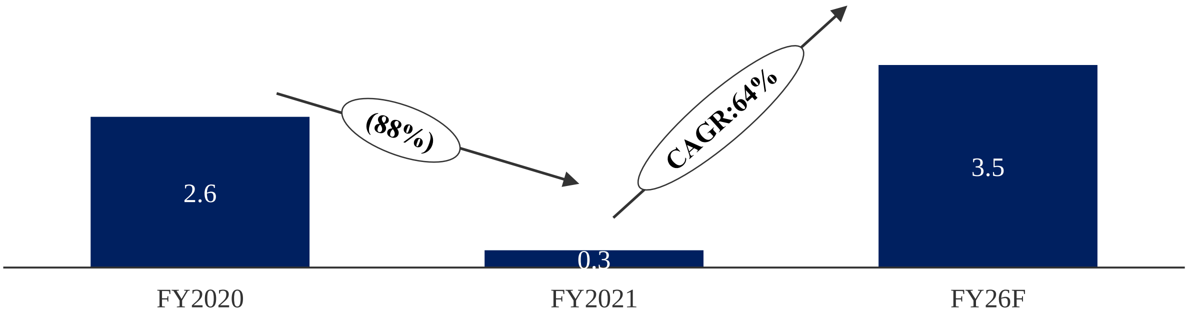
US$ Bn



Like many other sectors, film ticketing also saw a dip of 88% in FY 2021 (vs FY 2020 estimates) due to the situation which arose from Covid-19. However, as the situation goes back to normal, the industry is expected to recover. As Government has started the vaccination drive, once immune from the virus, consumers would prefer going back to the theaters. Although initially, the growth will be slow, new innovative ideas from existing players and pent-up demand will drive consumption. Further, the normalcy is expected to return by FY 2022 and then the market is expected to show steady recovery from there on.

Film Ticketing Market

US$ billion



Note: Includes ticketing from major organized players and unorganized players

Gaming

Online Gaming in India operates under 3 various categories namely: skill based games, mobile app-based games and PC & Console based games.

In India, there are around 300+ million online gamers. The market is mostly dominated by casual gamers with 250 million users who play games as a leisure activity. This is followed by Fantasy sports with around 100 million users. In this type of games, users virtually form a team of real sports players and perform based on the statistical performance of those players in actual games.

The monetization model differs for different games. For free games, companies mostly rely on in-app purchases versus in games like Ludo King, Candy Crush or Surfer, companies rely on the user base and their subscription fee.

Gaming industry in India is still in nascent stage and has huge potential to grow driven by young population, growing internet and smartphone users and cheap data. It is expected to become US$ 12-13 billion by FY 2026 that will grow by 4.5 times from FY 2021. Further, due to Covid-19 the sector saw a huge growth as user engagement increased across various gaming categories.

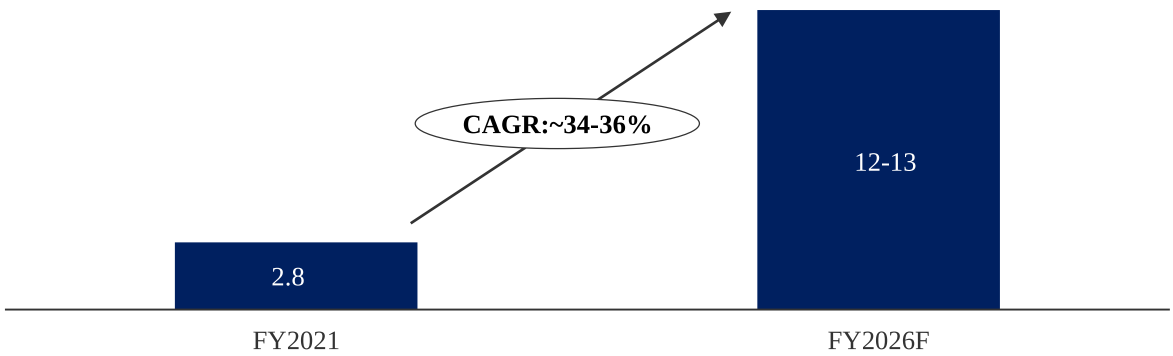
Among all the categories, the real money gaming segment is expected to show the highest growth in the next 5 years followed by casual gaming. It will mostly be driven by:

- Increasing adoption of online platforms for playing card games such as Rummy and Poker
- Increasing penetration of Fantasy sports players owing to love for cricket in the users across the country

Mobile app based game providers are expected to benefit from the increase in the number of gamers who make in-app purchases, which is currently as low as 0.5% in India vs 3% globally, and watch video ads to earn rewards. PC & Console games are expected to grow at the slowest pace owing to high cost of hardware and low penetration of gaming cafes in the country.

Online gaming market in India

US$ Bn



Of the overall online gaming market, real money skill based gaming is expected to grow fastest from US$ 886 million in FY 2021 to US$ 5.5 billion in FY 2026. Rummy and fantasy sports form a major component of real money skill based gaming. Fantasy sports is expected to grow at a rapid pace driven by:

- High user base owing to love for cricket across regions and age groups in India
- Fantasy sports market has witnessed the entry of players offering online rummy and casual games, which will also drive new user acquisition by cross-selling of fantasy sports along with other games
- Fantasy sports is easy to understand and thus doesn't need much push to try the game
- Fantasy sports market has higher conversion of registered users (~15%) to cash users and the conversion is going to increase further driven by lower entry fee

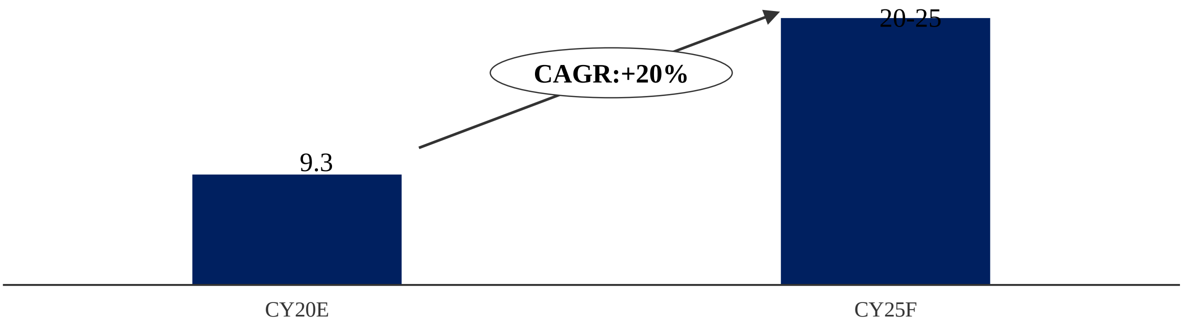
Advertising

Advertising industry in India has largely evolved over the years and today, it's more targeted, niche and has a number of channels to reach the right audience. Advertising market in India stood at US$ 9.3 billion in CY20 and is expected to more than double by CY25.

Digital marketing spends will likely grow to US$ 11+ billion by CY25 versus US$ 3.1 billion in CY20, becoming more than half of the total advertising spends in India, reaching at par with current ad spends mix of countries like USA and China. Digital advertising is expected to gain from India's expanding economy spanning across online gaming to foodtech. Brands across categories are employing varied ad formats to engage customers. Ad revenues of homegrown apps are rising and are set to increasingly contribute to revenue

India Ads market Size

US$ Bn



Financial services

Financial services system plays a crucial role in the economic development of a country. It allows efficient flow of savings and investments, managing credit requirement of businesses. Financial services have the ability to give support for growth of a new business and access to capital. India is significantly under penetrated across various financial services products which provides huge opportunity for players to grow across various sub segments such as lending, insurance, wealth management etc.

	India	China	US
Household debt as % of GDP[1]	11%	55%	75%
Credit Card penetration[2]	~4%	53%	328%
Insurance premium as % of GDP[3]	3.8%	4.3%	11.4%
% Population participating in stock market[4]	3%	13%	55%
Retail mutual fund (AUM as % of GDP)[5]	16%	19%	145%

Notes:

1. For 2019
2. 2019, except for India (2021). Credit Card penetration defined as average number of cards per 100 population
3. Includes Life and Non-Life Insurance
4. 2020, as a percentage of population, includes participation in direct equity and mutual funds
5. 2020E

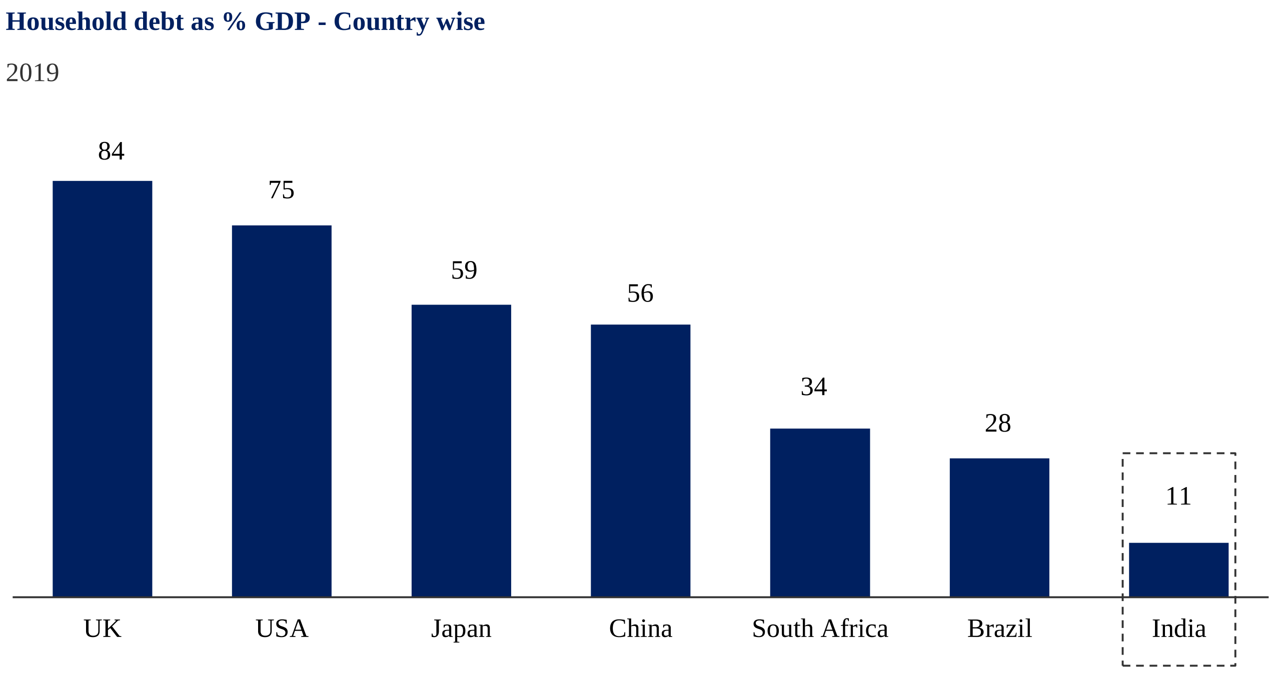
Lending

India's formal credit lending models require extensive documentation, active bank accounts and a steady source of income, with decent credit history at the very least. The journey from origination, to actual loan amount disbursal can take up to days. Only a fraction of MSMEs and population is able to meet all the criteria to avail credit from traditional financial institutions.

In last few years, various fintech players has emerged with innovative business model to address a huge unmet demand for easy credit access to the consumer and merchants.

Retail Lending

Indian Retail Credit[4] is a huge market with c.US$ 550 billion loans outstanding during FY 2021. India's household debt as % of GDP stands at 11%, which is significantly lower as compared to UK, US and China where it's 84%, 75% and 55% respectively.



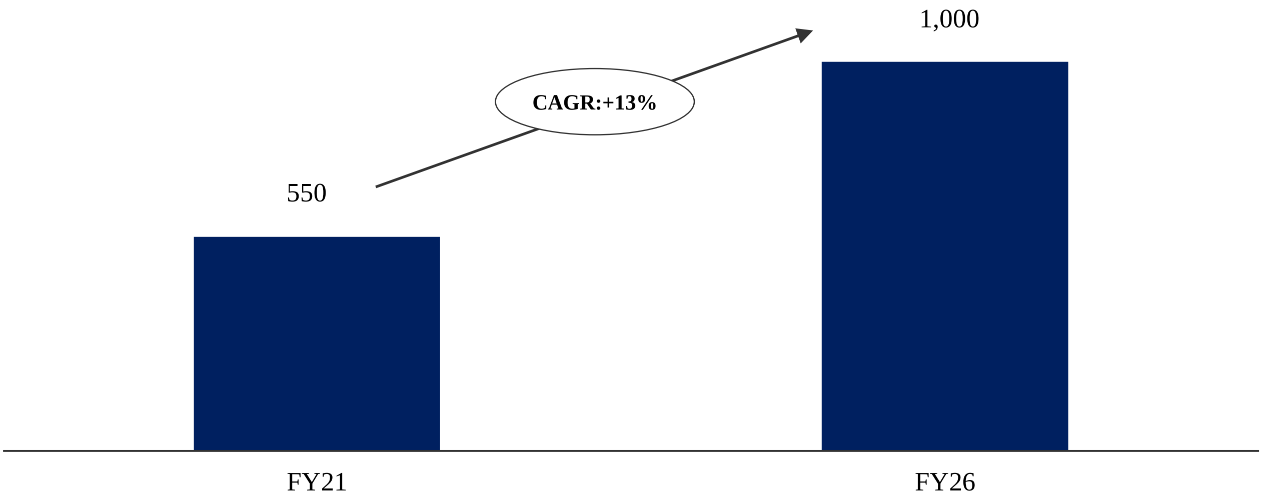
Going forward, the Retail Credit market is expected to grow by 13% CAGR to reach US$ 1 trillion by FY 2026, mainly driven by

- Rise of alternative credit offering platform, which require minimal / zero physical documentation, offering better experience to customer versus traditional banking system
- Government initiatives accelerated the financial inclusion drive which led to opening of 356 million bank accounts
- RBI offers banks durable longer-term liquidity at the repo rate (5.15%). This will facilitate banks in lowering their lending rates they charge on retail and industrial loans.

[4] Retail credit is defined as secured and unsecured loans from bank and NBFC (excluding housing loans) and lending from informal market

Total Retail Loan Outstanding

US$ Bn

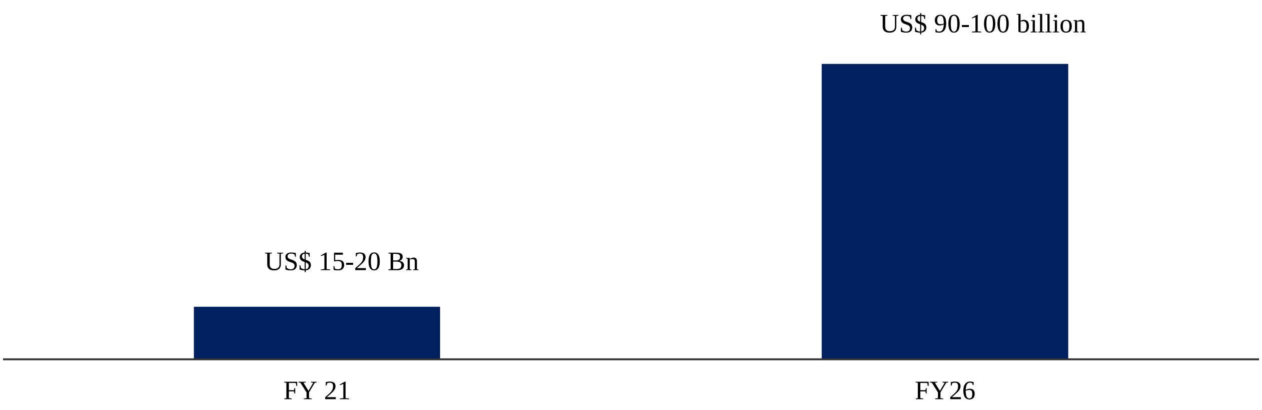


Note: Includes secured and unsecured loans outstanding from bank and NBFC (excluding housing loans). Also includes loans outstanding from from informal sources

In Retail consumer loans, buy-now-pay-later is an emerging opportunity which is expected to grow rapidly in India. BNPL is a short-term micro credit model, where consumers have to pay little to no interest for purchases through various platforms. BNPL has existed in the form of card based EMI, credit cards etc. which requires good credit scores, documentation and income threshold. With digitization and mobile payments, players have access to more data and spending pattern of customers making them better suited to underwrite loan. Disbursals under BNPL models is expected to grow 5 times from US$15-20 billion in FY 2021 to US$ 90-100 billion in FY 2026 mainly driven by increase in digitally savvy customer base.

Overall BNPL (Disbursals)

US$ billion



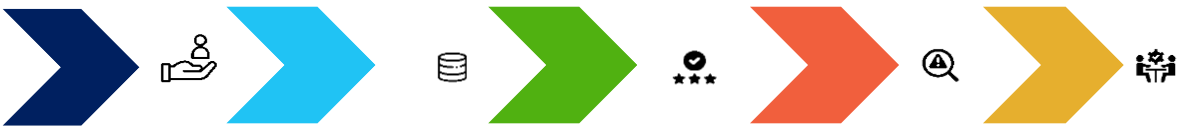
Note: Overall BNPL includes digital BNPL along with traditional NBFC Unsecured consumption loans and card based EMI and POS based credit

MSME Lending

MSME contributes to about 30% of India's GDP, and are responsible for creating 110 million job opportunities. There are approximately 63 million MSMEs engaged in different economic activities across various sectors. These enterprises have various credit needs to be able to scale, expand, counter macroeconomic high and low cycles. Access to credit becomes an important parameter for an enterprise to grow and thrive. In India ~20% of the loans required by MSMEs is met by the formal sector, 40% by the informal sector and there is still a 40% credit gap to be met for the MSMEs

MSME lending presents a huge opportunity which allows multiple business models to thrive and cater to a wide range of use cases. Digital lenders are present across the spectrum from businesses lending from their own balance sheets to acting as platforms that connect borrowers and lenders. A typical journey of a customer across various offerings involves an online application, furnishing data about the founding company, financials, basic documentation on registration. Digital companies have alternate credit scoring mechanisms to underwrite loans that consider multiple data points apart from traditional bank statements and credit bureau scores. Loan servicing and tenure are flexible along with prepayment options

Typical Journey of MSME Digital Lender and Business Models



Customer Acquisition

- Application online
- E-KYC
- Provide direct data and consent

Company Data

- Founder, company details
- GST/UAN details

Credit Score

- Assess credit worthiness through proprietary algorithms backed by AI/ML

Fraud Detection

- Third Party Validation
- MCA data/Bank login

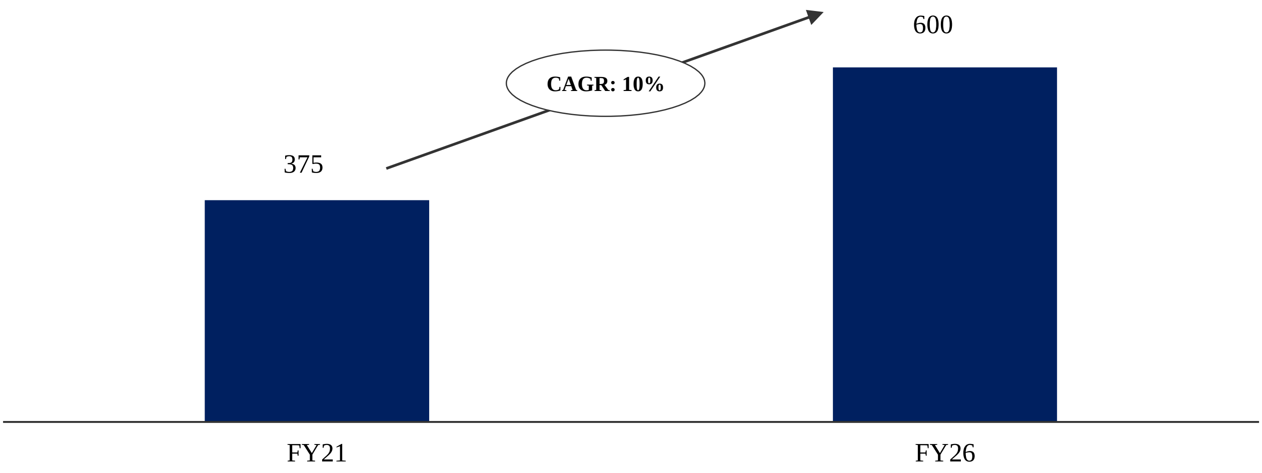
Loan Servicing

- Loan approval and disbursement and setting up repayment options

Digital lenders have started to address this gap, today the digital lending market captures less than 1% of the TAM, indicating much of the market is still untapped. MSME lending is set to become approximately US$ 600 billion opportunity by FY 2026 driven by increasing Government focus on fintech, increasing digital adoption, better underwriting algorithms, digital lending ticket sizes increasing.

MSME Lending Opportunity

US$ Bn



Note: Includes loans outstanding from bank and NBFC along with loans outstanding from informal sources

Traditional digital lending models are steeped in an end-to-end journey of acquiring a customer all the way to repayment and locking in a repeat customer. However, digital payments-based lending models have a significant advantage here as they already have a captive base of consumers and they also know the spending pattern of the consumer to be able to better underwrite any lending opportunities that they may offer. It makes it easier for digital payment players to lend, underwrite, offer repayment options and also give pre-approved credit without the hassle for a KYC.

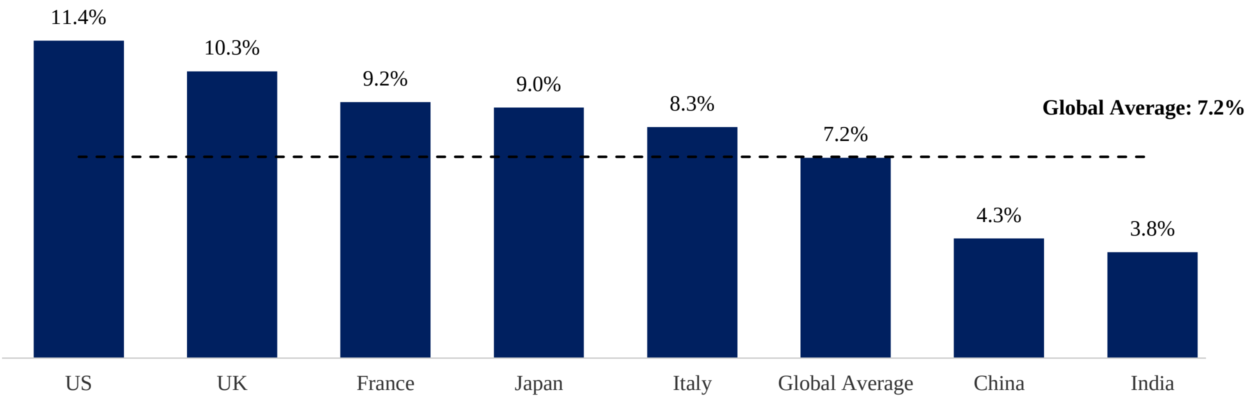
Payment based lending though unsecured are backed by realistic cash flows which makes underwriting easier in absence of traditional credit score or collateral availability. Since the repayment capacity is based on near term cash flows, sachet sized loans are easier to give. Traditional lending models are riddled with underwriting as they are balance-sheet or asset backed. The repayment capacity of the merchant is based on assets, liabilities which are projected at least over 1 year thus making it difficult to underwrite short term sachet sizes loans. However, advancements in data analysis and development of alternative credit scoring mechanisms are bypassing this roadblock.

Insurance

The Indian insurance industry has grown at a CAGR of 12% between FY 2018-2021 and total gross premum underwritten for FY 2021 was US$ 121 billion with life insurance premiums accounting for 77% and non-life premiums accounting for 23%.

However, as compared with global peers, India’s insurance market is underpenetrated. Insurance penetration (premium as % of GDP) is at 3.8% as compared to the global average of 7.2%.

Insurance Penetration Across Nation



Notes: Insurance penetration is measured as ratio of premium to GDP

Low penetration in insurance industry stems from financial illiteracy, lack of awareness of need, low household disposable income, complex products, gaps in product offerings and inefficiencies in distribution system. Opaque cost structures, hidden fees, difficult to understand language and jargons has made people averse to insurance products. On the distribution side, reach remains low and is a push driven model with agents, brokers and bank channels serving as primary sales channel. Further, there is no legal requirement for people in India to purchase general insurance (except third party motor insurance), contributing to its low penetration.

India's life insurance market is expected to grow at 13% CAGR during FY 2021-2026 to reach US$ 160-180 billion by FY 2026, driven by favorable macro indicators, rising awareness towards financial products and services, digitization and simplification of products and processes, online channels for distributions, innovations and customizations in products and favorable government policies and regulatory push.

The non-life insurance market in India is expected to grow at 15% CAGR to reach US$ 50-60 billion size by FY 2026, driven by a burgeoning middle-class, rising awareness about insurance protection, innovative products, growth in associated industries, and favorable regulatory landscape.

A major bulk of non-life insurance is formed by the motor and health sector, which is expected to grow steadily, driven by:

- Lower vehicle insurance penetration: India is one of the largest auto markets in world with over ~20 million vehicles sold annually and is also among the nations with the highest number of road accidents. In India, it is mandatory to have a third-party liability policy for any motor vehicle. Despite this, in FY 2019, 57% of total vehicles and 66% of two wheelers on road were uninsured leaving a huge space for the insurers to grow their market

- Government initiatives: Ayushman Bharat Yojana is one such initiative by Government to bring in health insurance coverage to below poverty line (BPL) families

Regulatory bodies continue to support reforms which are beneficial for the sector in long run. IRDAI has passed various regulations, bringing in transparency and product standardization benefitting customers and new product launches, increasing the ticket size of policies for aggregators benefitting insurers. In Budget 2021, Government increased FDI limit from 49% to 74% in insurance sector.

In last few years, digitization has led strong growth in gross premium by simplifying the process and faster customer engagement. The trend is expected to continue as digitization offer:

- Simple purchase process: one can easily compare the various products online and make the purchase, eliminating the need of an agent for product understanding and signing the document

- Customized products: digital first full stack insurers provide customize offerings by adding riders to the existing policies. Marketplaces provide a better product selection experience by providing a comparison of listed products

- Lower premium costs vs traditional players as there are no intermediaries involved to sell the product, reducing the cost for insurers.

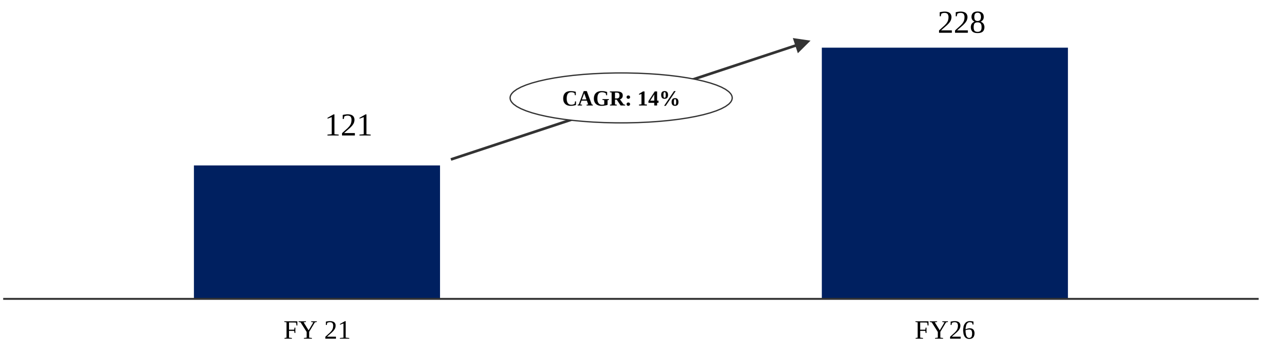
- Raising claims is much easier over digital platforms versus in case of traditional insurers one has to wait for agent / broker or has to visit the branch for the claims leading to higher TAT

- Brings in more transparency and reduces chances of mistakes to lower manual work involved as compared to traditional players

Going forward, gross written premium to increase to US$ 228 billion by FY 2026.

Gross written premiums

US$ Billion



Wealth Management

During FY 2012-FY 2020 Indian household savings have grown at CAGR of 7.6% of which majority component goes to physical assets such as real estate, gold etc. in form of investments. Investments towards financial products such as equity, mutual fund is relatively low, forming 41% of total household savings in FY 2020. Gold has historically been used as a hedge against inflation, and it continues to be part of the investment portfolio to mitigate financial risks during inflation, economic, social and geopolitical crises.

Most investors with an investible surplus have no exposure to capital markets owing to lack of comfort, low risk appetite and availability of other products such as fixed deposit offering high single digit return. India remains significantly underpenetrated market with only 3% of total population participating in equity as compared to 55% in US and 13% in China.

With the declining interest rates and increasing financial literacy, the penetration within India is expected to rise rapidly over next few years. This creates a massive opportunity for new age business models which have come up in India's wealthtech space, targeting various customer cohorts. In last few years, Digital first models such as discount brokers, mutual fund distributors, robo advisors have come into picture. Digital brokers have seen tremendous growth as compared to their offline counterparts, driven by discount brokerage business model, superior app experience and customer support.

Over the next 5 years, capital market participants are expected to more than double from the current 40 MM and investment in Indian equities and mutual fund is expected to increase by 2.6 times reaching US$ 1.2 trillion in FY 2026 from US$ 468 billion in FY 2021.

The key driving factors for the growth will be:

- Digital first platforms to drive accessibility and penetration within tier 2+ cities
- Digital native millennials to be the power users of wealth tech apps
- Growing investible surplus and falling returns on traditional asset classes
- Wealthtech platforms actively investing in educational platforms and community building to reduce the churn and drive up their total investments
- Innovations such as robo-advisory, community based investing to aid investors in taking investing decisions.
- Increased accessibility of asset classes such as international equities, debt, etfs, digital gold etc. to serve needs of investors and offer new avenues of investing

Equity

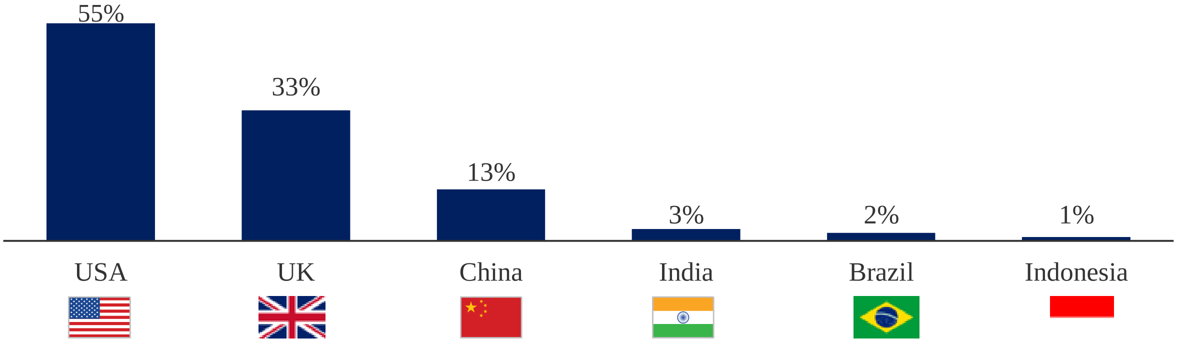
Indian equities have seen a strong growth with major indices such as NIFTY 50 and Sensex generating a CAGR of ~10% between FY 2015-2021. Market analysts remain bullish for Indian equities in the long term owing to macroeconomic factors and growth.

The market participation has also been on the rise with the number of demat accounts rising at the rate of ~15% CAGR between FY 2015-FY 2021. COVID-19 accelerated the growth further with ~14 million new demat accounts opened in FY 2021, a ~35% rise in a year.

Despite the strong growth, India capital market penetration (percentage population participating in stock market) stands at only 3% as compared to 55% and 13% in US and China respectively

Population participating in Stock markets by Country

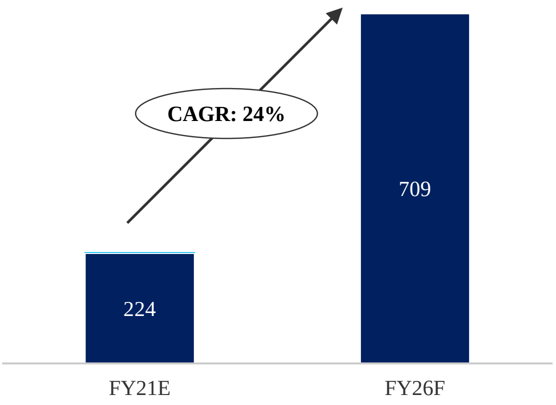
% of population, 2020



Equity investments expected to witness strong growth backed by the increased accessibility brought by platforms going digital, with active demat accounts increasing to approximately 113 million by FY 2026 from 55 million in FY 2021, leading to equity investments / year (for individual investors) increasing from US$ 990 billion to US$ 2.2 trillion.

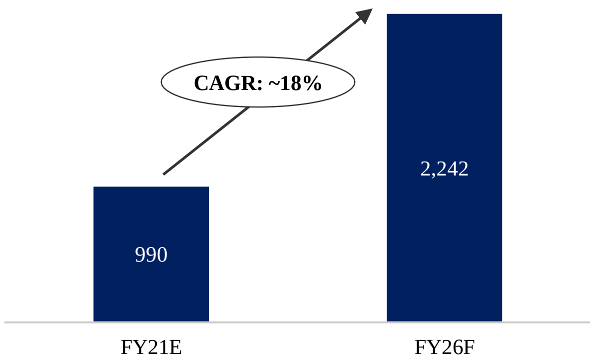
Direct Equity Investments (Outstanding) - Retail Investors

US$ Bn



Equity Investments / Year – Retail Investors

US$ Bn

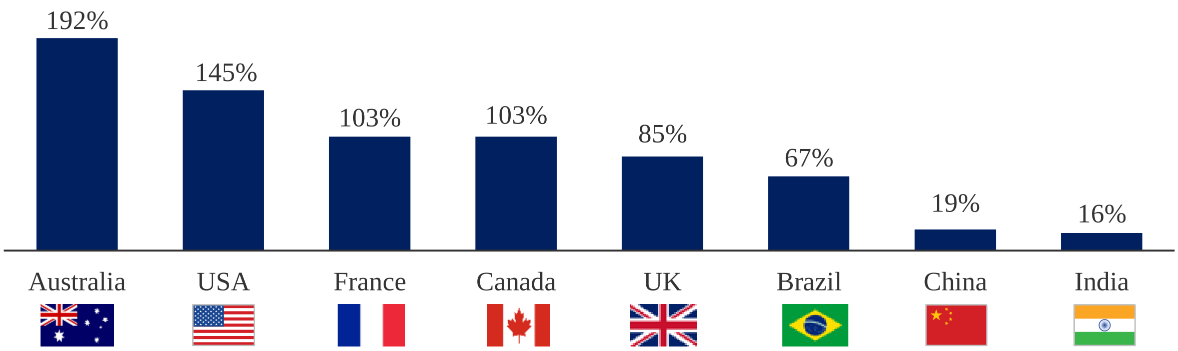


Mutual Fund

Mutual fund AUM as a percentage of GDP has grown from 4.3% in the financial year 2002 to approximately 16% in the 2020, penetration levels remain well below those in other developed and fast-growing countries.

Mutual Fund AUM / GDP Ratio

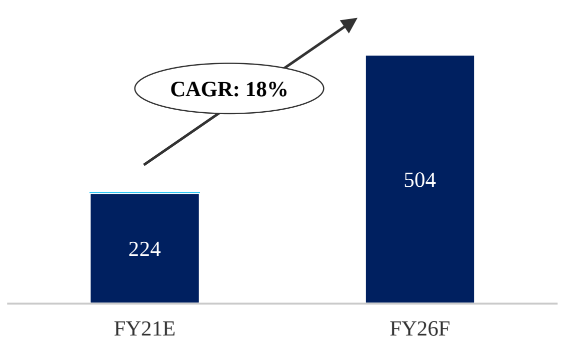
% of GDP, 2020E



Overall mutual fund AUM in India, for individual investors is expected to reach ~ US$ 500 billion by FY 2026 which is currently at ~US$ 224 billion in FY 2021. Digital channels as a mode of investment has picked up pace rapidly contributing 55%-65% of all incremental mutual fund purchases in FY 2021 and is expected to drive 70%-75% of all incremental purchases by FY 2026. On an overall level digital channels are expected to amount to ~55% of the overall mutual fund AUM by FY 2026.

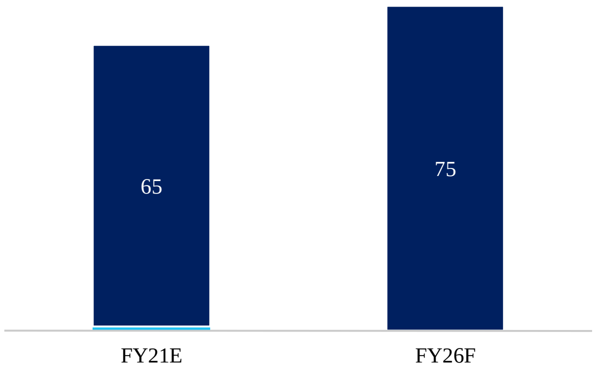
Mutual Fund AUM Outstanding (For Individuals)

US$ Bn



Mutual Fund Net Inflow (For Individuals)

US$ Bn



The growth will be driven by the move towards direct mutual fund plans and a wave of first-time investors coming in. Total number of mutual fund investors is expected to double from ~32 million FY 2021 to ~72 million in FY 2026.

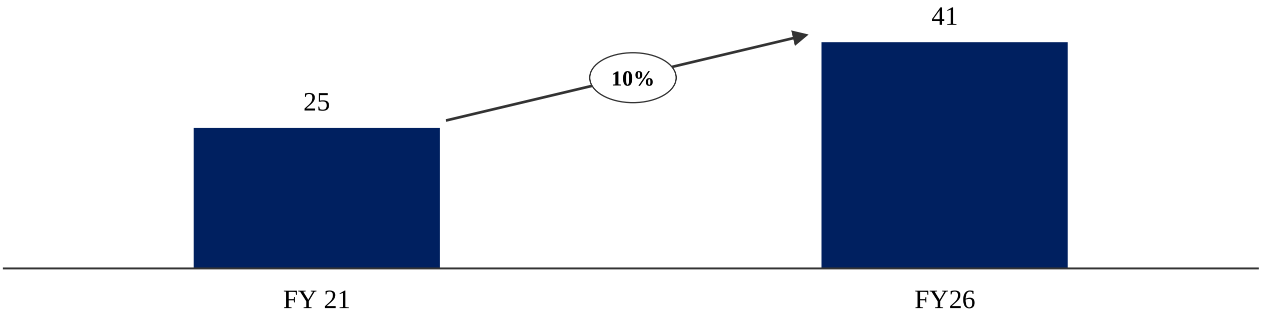
Gold

The primary reason for investing in Gold is portfolio diversification, it is considered to be an ideal hedge against the potential volatility of equity investments as well as inflation. Today, investors have various option to invest in gold – can be bought physically or digitally or one can invest in Gold ETFs, mutual fund and gold bonds. Digital gold is a convenient and cost-effective way of purchasing gold online in small fractions. Gold can be purchased and sold online with 99.9% purity at the prevailing market price.

Yearly investment in gold expected to increase from US$ 25 billion in FY 2021 to US$ 41 billion by FY 2026.

Yearly Gold Investment

US$ billion



OUR BUSINESS

Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been commissioned by us in connection with the Offer. Neither we, nor the Managers, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the RedSeer Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.

Our Mission

Our mission is to bring half a billion Indians into the mainstream economy.

We believe that access to technology and financial services can give power to citizens to improve their lives, help merchants grow their businesses, and impact our communities in positive ways. We offer our consumers and merchants, technology-led, easy-to-use digital products and services as well as easy and inclusive access to financial services.

Who We Are

We are India's leading digital ecosystem for consumers and merchants, according to RedSeer. We offer payment services, commerce and cloud services, and financial services to 333 million consumers and over 21 million merchants registered with us, as of March 31, 2021. Our two-sided (consumer and merchant) ecosystem enables commerce, and provides access to financial services, by leveraging technology to improve the lives of our consumers and help our merchants grow their businesses.

We launched Paytm in 2009, as a "mobile-first" digital payments platform to enable cashless payments for Indians, giving them the power to make payments from their mobile phones. Starting with bill payments and mobile top-ups as the first use cases[5], and Paytm Wallet as the first Paytm Payment Instrument, we have built the largest payments platform in India based on the number of consumers, number of merchants, number of transactions[6] and revenue as of March 31, 2021 according to RedSeer. We have also been able to leverage our core payments platform to build an ecosystem with innovative offerings in commerce and cloud, and financial services. Paytm is available across the country with "*Paytm karo*" (i.e. "*use Paytm*") evolving into a verb for hundreds of millions of Indian consumers, shopkeepers, merchants and small businesses, according to RedSeer. As per the Kantar BrandZ India 2020 Report, the "Paytm" brand is India's most valuable payments brand, with a brand value of US$ 6.3 billion, and Paytm remains the easiest way to transact across multiple methods.

We have created a payments-led super-app[7], through which we offer our consumers innovative and intuitive digital products and services. We offer our consumers a wide selection of payment options on the Paytm app, which include (i) Paytm Payment Instruments, which allow them to use digital wallets, sub-wallets, bank accounts, buy-now-pay-later and wealth management accounts and (ii) major third-party instruments, such as debit and credit cards and net banking. On our app, we enable our consumers to transact at in-store merchants, pay their bills, make mobile top-ups, transfer money digitally, create and manage their Paytm Payment Instruments, check linked account balances, service city challans and municipal payments, buy travel and entertainment tickets, play games online, access digital banking services, borrow money, buy insurance, make investments and more.

We help our merchants grow their business by giving them solutions that allow them to accept payments, acquire and retain consumers, improve their business operations and access financial services. Merchants can use in-store and online payment solutions to accept payments through Paytm Payment Instruments as well as major third-party payment methods. To help them acquire and retain customers, and create demand, we offer them services like selling tickets to customers, advertising, mini-app listings, channel and loyalty solutions. In addition to helping

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[5] use cases includes (i) mobile top-up, (ii) utility bill payment, (iii) pay at an online merchant, (iv) pay at an in-store merchant, (v) commerce, (vi) financial services, and (vii) person to person transfers.

6 Refers to transactions between consumers and merchants completed on our platforms.

[7]A super-app is defined as a mobile app with a wide number of payments, commerce, daily-life and financial services use-cases, as per RedSeer.

our merchant ecosystem facilitate more commerce, we also provide software and cloud services that allow large, medium and small merchants to improve their business operations and access important financial tools such as banking, wealth and credit facilities.

₹ 28 billion Revenue from Operations(1)	**₹ 4.0 trillion** Total Gross Merchant Value(1)	**7.4 billion** Total Transactions(1,4)	**333 million** # of Total Users(2)
114 million Annual Transacting Users(1)	**21 million** Total Merchants(2)	**800K** Total Payment Devices(2,5)	**₹ 142 billion** Commerce GMV(3)
64 million Total Payment Bank Accounts(2,6)	**₹ 52 billion** Total Deposits(2,7)	**3 million** # of Loans Disbursed(1,8)	**₹ 52 billion** Wealth AUM(2,9)

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(1) For FY 2021.
(2) As of March 31, 2021.
(3) For FY 2020. Commerce GMV for the year FY 2021 was ₹42 billion.
(4) Includes transactions made to merchants on our ecosystem and consumer-to-consumer payments such as money transfers.
(5) Includes POS and Soundbox.
(6) Includes Paytm Payments Bank's savings and current accounts.
(7) Includes Paytm Payments Bank's savings and current account balance, fixed deposit (through financial institution partners) and wallet balance.
(8) Includes personal loans, merchant lending and postpaid offered through Paytm Payments Bank'sfinancial institution partners.
(9) Includes mutual fund, stock broking and gold AUM.

Trends Favouring Us

India is a country of hundreds of millions of young and aspiring consumers who are underserved in payments and financial services products. There are millions of small businesses in India that would benefit from having increased access to affordable software, technology and financial services. We believe these consumers and small businesses can be served through technology-led, digital-first commerce.

As illustrated below, we have a large addressable market in India. The market segments that we serve have large growth potential, due to significant under-penetration, and the ability of technology to grow the market.

US$ 40 - 50 trillion FY26 Digital Payments(1)	**~US$ 1 trillion** FY26 Retail Credit Outstanding(2)	**~US$ 600 billion** FY26 MSME Credit Outstanding(3)
~US$ 1.6 trillion FY26 Total Household Savings	**~US$ 228 billion** FY26 Total Insurance Premium	**US$ 300+ billion** FY26 Consumer Internet GMV(4)

(1) Includes electronic clearing service, pre-paid payment instruments, card payments, National Automated Clearing House, Immediate Payment Service, UPI, National Electronic Fund Transfer ("**NEFT**") and real time gross settlement ("**RGTS**").

(2) Includes loans outstanding towards consumer durables, credit card, education, other personal loans and secured loans (advances against fixed deposit, advances to individuals against share, bonds, among others, and vehicle loans). This excludes housing loans.

(3) For formal and informal sectors.

(4) Digital Consumer includes online retail of mobile, electronics, fashion, grocery (e-tailing) and other sectors like Food Tech, Fintech (excluding payments), eHealth, stay, mobility, EdTech, classifieds, recharges and bill payments, among others; Fintech (includes lending, insurance, and wealth management. It excludes Digital payments such as wallets, UPI and other digital transactions.

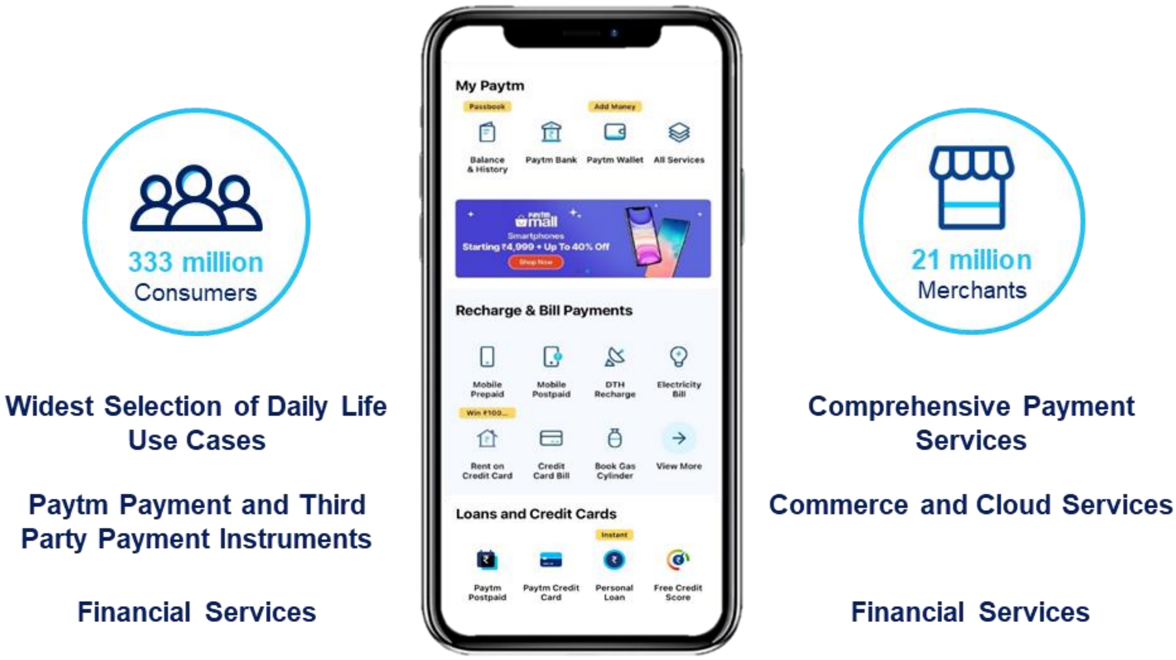
- ***Strong macro tailwinds*****:** Despite the impact due to COVID-19 pandemic on global economies, India continues to be the fastest growing major economy globally and is expected to grow at a CAGR of 9% over next five years to become a US$4.2 trillion economy by 2025, according to RedSeer. The key aspects of economic growth in India are (i) rising consumption, (ii) favourable demographics with large working population, and (iii) growing urbanization.

- ***Increasing pace of digitization*****:** With increasing smartphone penetration and internet usage, and the proliferation of digital products and services for consumers, India's digital ecosystem is at an inflection point. According to RedSeer, India's active internet users are expected to increase from 400-450 million in FY 2021 to approximately 900 million in FY 2026 and the number of smartphone users are expected to increase from 500-550 million in FY 2021 to 800-850 million in FY 2025. It is expected that these users will want to transact online for bill payments, shopping, entertainment and other needs. Technology adoption across consumer internet sectors has been accelerating and has gained even more prominence in the post COVID-19 pandemic world. Overall digital commerce (including e-commerce, e-recharges and bill payments) in India is expected to grow over 3.3 times in the next five years to more than US$300 billion in FY 2026 from approximately US$90 billion in FY 2021, according to RedSeer.

- ***Digital payments in India evolving rapidly*****:** We believe that India's payment landscape has transformed over the last decade driven by the emergence of mobile payments, the government's vision to transform India into a cashless society, the creation of innovative and robust payment infrastructure, high consumer and merchant acceptance and regulatory support. Due to the growth of digital commerce and services, combined with increasing user habit of transacting using their mobile phones for in-store payments and for money-transfer, digital payment is gaining scale and is growing rapidly. As a result of these factors, unique online transacting users, transacting for services such as online banking, mobile top-ups, in-store payments etc. are expected to grow from 250- 300 million in FY 2021 to 700-750 million by FY 2026.

- ***Underpenetration and rising digitization of financial services*****:** The Indian financial services market continues to be significantly underpenetrated. For example, for FY 2019, as per RedSeer, household debt as a percentage of gross domestic product in India is only 11% versus 75% and 55% in the United States and China, respectively; credit card per capita in India is approximately 0.04 compared to 3.28 in US and 0.53 in China; 3% of the Indian population invest in stock market versus 55% and 13% in the United States and China, respectively; insurance premium as % of GDP is at 3.8% compared to the global average of 7.2%. Across all these traditional financial services products, India has growth opportunity aided by technology and rising digitization to increase access and reach. By FY 2026, as per RedSeer, retail lending is expected to be a US$1 trillion market, MSME lending is expected to be US$600 billion market, insurance is expected to be US$228 billion market.

- ***Regulatory initiatives driving digitization of payments and financial services:*** The Government of India and regulators like the Reserve Bank of India ("**RBI**"), Securities and Exchange Board of India ("**SEBI**") and the Insurance Regulatory and Development Authority of India ("**IRDAI**") have acted as enablers of "Digital India" through continual reforms and encouraging innovation in the marketplace. For example, the Government of India's introduction of unique ID (AADHAR) and linking it with the Indian Income Tax ID (Permanent Account Number) has made Video-KYC feasible and has digitized on-boarding. Additionally, RBI's introduction of payments bank licensing regime, wallet licensing regime, AADHAR universal identity and creation of UPI has contributed to digitization of payments.



Our ecosystem serves 333 million consumers and over 21 million merchants as of March 31, 2021. Our payments platform is at the core of our ecosystem. Making payments (bill payments, in-store or money transfer) is, in most cases, the first use case for a consumer on Paytm. Leveraging the large scale, reach, and deep and high frequency engagement by consumers and merchants on our payments platform, we have been able to add new payments offerings, as well as expand into commerce and cloud services and financial services. Each of our offerings increases the scope of our ecosystem for consumers and merchants, enhancing the value of our ecosystem.

How consumers benefit on our ecosystem

We offer products and services that improve the lives of our consumers.

- ***Paytm Super-app to access a wide selection of daily life use cases:*** Our consumers can use the Paytm Super-app to conveniently manage multiple aspects of their daily lives, such as utility bill payments, mobile top-ups, money transfer, online and in-store payments, buy entertainment and travel tickets, play online games, access mini-apps across content, food delivery, e-commerce and ride hailing, and do other things.

- ***Usage of Paytm Payment Instruments***: In collaboration with partners, we offer Paytm Payment Instruments to our consumers, such as Paytm Wallet, Paytm Postpaid, Paytm Debit Card, Paytm Credit Card, and others, which meet consumer needs such as convenience, trust and transaction credit. These instruments can be used on online and mobile platforms, including on the Paytm app, as well as for in-store transactions, and are deeply integrated with our ecosystem.

- ***Access to financial services through our partners:*** In partnership with financial institution partners, we provide our consumer and merchants, including unserved or underserved Indians with access to digital, customized financial products, such as deposits, wealth, lending and insurance on the Paytm app. We have also made their experience of buying and using financial services and products instant, seamless, convenient and completely digital.

The following image reflects GMV by consumers acquired in a particular fiscal year and transacting in three or more use cases in the same or subsequent years. For example, of the consumers acquired in FY 2017, the GMV by consumers transacting for three or more use cases in any year increased by 6.8x by FY 2020, with FY 2021 being impacted by the COVID-19 pandemic.

GMV by Cohort(1)

	Transaction Year				
	FY17	FY18	FY19	FY20	FY21
FY17	1.0x	2.8x	4.9x	6.8x	6.8x
FY18		1.0x	2.9x	3.7x	3.5x
FY19			1.0x	1.8x	1.9x
FY20				1.0x	1.9x
FY21					1.0x

(1) GMV of users acquired in a particular financial year and transacting in three or more use cases in same or subsequent financial years.

How merchants benefit on our ecosystem

We strive to help our merchants grow their business by giving them access to technology, payment solutions and financial services.

- ***Comprehensive payments solutions:*** Our payments platform gives merchants the ability to accept payments, online and on mobile platforms, and in-store, from a wide selection of Paytm Payment Instruments and all major third-party instruments. Our new age in-store payment systems offer an opportunity for merchants to integrate customer loyalty, gift vouchers and buy-now-pay-later solutions. We also help merchants with products for seamless business payments to vendors, employees and customers.

- ***Acquisition and retention of customers and demand creation:*** We help merchants acquire and retain customers on and off the Paytm app, through our suite of products such as commerce, advertising, mini-app listings, channel and loyalty solutions. These products allow merchants to leverage our large consumer base to: find new customers, retain existing customers, drive conversions and create demand for their products and services through targeted distribution strategies leveraging our rich insights.

- ***Access to digital financial services***: For unserved or underserved merchants, we offer them access to deposits, wealth, credit and insurance products to improve and grow their businesses, including through our associates and partner financial institutions.

Our Businesses

We offer products and services across "payment services", "commerce and cloud services" and "financial services". Our products and services are carefully developed to address large markets, and in areas where the consumers and merchants are underserved.

Payment Services

We have a full suite of payment services for both consumers and merchants which enables them to make and receive payments in a convenient, seamless and secure manner both online and in-store. According to RedSeer, we are the largest payments platform[8] in India with a GMV of ₹4,033 billion in FY 2021. We have an overall

[8] In terms of the number of transactions between consumers and merchants

payments transaction volume[9] market share of approximately 40%, and wallet payments transaction market share of 65% – 70% in India as of FY 2021, according to RedSeer.

We have driven innovation in the Indian payments landscape, designing and building products for Indian consumers and merchants, and creating new market segments. We launched a wallet product, Paytm Wallet in 2014, which saw wide-spread acceptance amongst Indians, many of whom were making digital and mobile payments for the first time. We launched QR in 2015, which we upgraded to All-in-One QR in January 2020, which is the only source QR code that gives merchants the power to seamlessly accept payments from Paytm Payment Instruments, third party and all UPI instruments directly into their bank account. In 2020, we launched Paytm Soundbox, an IoT enabled payment acceptance device, providing real time audio confirmation for payment completion. For more details on our payment products and services, see "***– Our Products and Services – Payment Services***" starting on page 171.

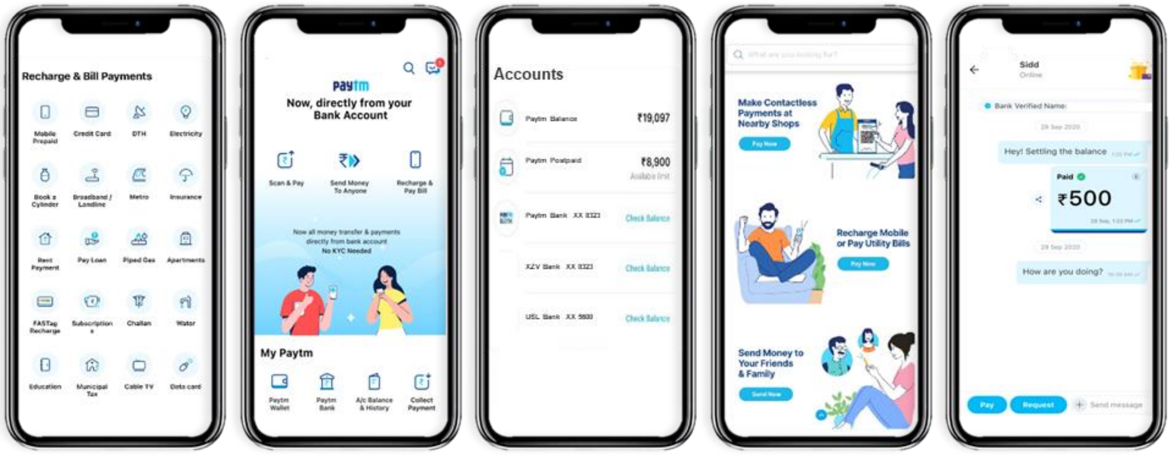
Given the comprehensive nature of our payments platform, we believe that we have better ability to monetize the payments business because we are not dependent on one or few payment methods where monetization potential is low or zero. Some of the payment instruments like credit cards and payment methods like in-store devices have a much higher monetization potential that the more widely used payment forms. The graphic below illustrates our payments products and services for consumers (Paytm Payment Instruments) and for merchants ("**Merchant Acquiring**").

(1) NCMC refers to National Common Mobility Card

Using our extensive payment offerings, consumers can make online bill payments, mobile top-ups and money transfers using the Paytm app, make online payments on third party apps and in-store payments through QR codes and devices. Consumers can use a wide selection of instruments, both third party and Paytm Payment Instruments. We believe that we offer a differentiated value proposition and experience for our consumers because of a wide selection of use cases, multiple payments instruments, and a large number of merchant end points.

[9] Based on consumer to merchant payments completed on our platforms, and excluding money transfers.

The graphic below shows select payment offerings available to our consumers:



Bill Payments – Multiple options for users to pay all of their bills on a single app

Add money and money transfer

Paytm Wallet linked with 3rd party apps for easy payments

Contactless payments and money transfers

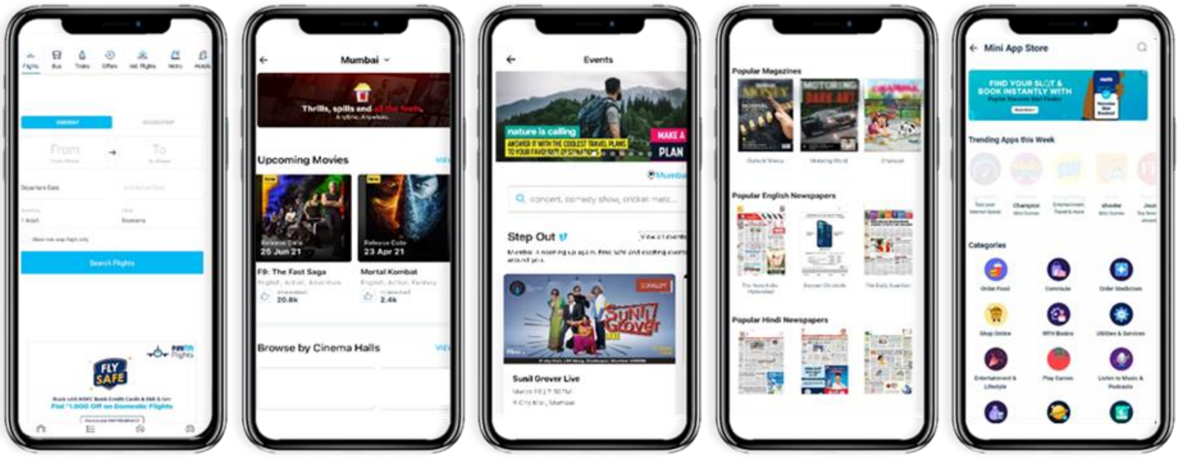
Money Transfers – Syncing of contacts and chat options

Merchants, large or small, organized or unorganized, in metros or small towns, can access our full suite of payment products and services (i) in-store, using our Paytm QR code, Soundbox or POS devices; and (ii) online, using the Paytm all-in-one payment gateway infrastructure or through Paytm Wallet. Our services power merchants to accept payments through our Paytm Payment Instruments or major third-party instruments.

We also offer our merchants, Business Payments, a single platform solution to help manage their cash flows and their payables including (i) vendor payments, such as rent payments, invoices, and utility bill payments, (ii) customer cashbacks, refunds, and channel partner incentives, and (iii) employee salaries, reimbursements and tax benefits.

Commerce and Cloud Services

Our commerce and cloud services offerings provides a lifestyle destination for consumers to avail lifestyle commerce services such as ticketing, travel, entertainment, gaming, food delivery, ride hailing and more. Easy access to such services within the Paytm App environment, through our native offerings or through our mini-apps partners, plays a critical role in user engagement and retention, and enhances our brand.



Travel options across various modes | Book movies tickets and pay for OTT subscriptions | Booking events made simpler | Easy access to variety of content for users | Host of mini apps to provide further options to users

Through our wide suite of commerce and cloud service offerings, merchants can connect with consumers to increase demand for their products and services, and improve their business operations. We help our merchants conduct targeted outreach to our consumers to offer services such as ticketing (for entertainment and travel), commerce, deals, loyalty services, mini apps and advertising. We also provide our merchants software and cloud services for various aspects of their business, such as billing, ledger, vendor management, customer promotions, catalogue and inventory management. Our feature-rich Paytm for Business app provides merchants a comprehensive set of business managment tools, including real time bank settlement and analytics, reconciliation services, banking services, access to financial services, and business growth insight tools to measure their business performance. We also provide software and cloud services to enterprises, telecom companies, and digital and fintech platforms to track and enhance customer engagement, build payment systems, and unlock customer insights

In FY 2020, we processed a total Commerce GMVof ₹142.2 billion, and in aggregate generated over ₹11 billion of revenues (in FY 2021, we processed a total Commerce GMVof ₹42.4 billion, and in aggregate generated over ₹6.9 billion of revenue) . For more details on our commerce and cloud services, see "***– Our Products and Services – Commerce and Cloud Services***" starting on page 175, and *"**Management's Discussion and Analysis of Financial Condition and Results of Operations - Principal Factors Affecting our Financial Condition and Results of Operations**"*, starting on page 385.

Financial Services

Financial Services is our set of innovative financial inclusion offerings including mobile banking, lending, insurance, and wealth management for consumers and merchants. Our reach, size and scale of payment services places us at the center of payments flows between consumers and merchants. This affords us opportunities to distribute and / or develop financial products that can be the source of payments (such as deposits or lending) and destination of payments (such as wealth management). Since most of our financial services businesses were launched recently between 2019 and 2021, financial services contributed a relatively small percentage of our revenue.

The following points provide a snapshot of our financial services offerings.

- *Mobile Banking Services*: We provide mobile banking services through Paytm Payments Bank, in which we own 49% equity interest. It offers a comprehensive suite of digital banking products for individuals, small and medium enterprises, and large corporates including current account, savings account, salary accounts, fixed deposits (through Paytm Payments Bank's), and debit cards. Some of the Paytm Payment Instruments are offered with Paytm Payments Bank. As of March 31, 2021, Paytm Payments Banks had

64 million savings accounts. For the quarter ended March 31, 2021, Paytm Payments Bank was the largest UPI beneficiary bank with a market share of 17.1%, according to RedSeer. In April 2021, according to RedSeer and National Payments Corporation of India ("**NPCI**"), Paytm Payments Bank had the lowest technical decline rate of 0.01% as a remitter bank while other banks had a weighted average of 1.06%. Whereas, as a beneficiary bank, Paytm Payments Bank had the lowest technical decline rate of 0.01% while others bank had a weighted average of 0.35%.

- *Lending*: We operate a technology platform with capabilities across the entire loan cycle including origination, developing credit risk models, loan management and collection to provide a seamless credit access to our consumers and merchants through our financial institution partners. We work with financial institution partners in improving their distribution, underwriting and collections, and aim to drive the increase of credit in India. By leveraging Paytm platform's digital reach, democratizing credit is a significant opportunity for Paytm, to service the underserved and unserved. Paytm has the largest payments merchant and consumer base in India, according to RedSeer, which lets us leverage the power of both the consumer and merchant side on the payment network, and which we believe will be a major driver of our digital lending products. For example, we have launched Paytm Postpaid, our buy-now--pay later product and merchant cash advance, through our financial institution partners. Our financial institution partners have disbursed 1.4 million loans in the fourth quarter of FY 2021

- *Insurance and Attachment Products*: In collaboration with our insurance partners, we offer, (i) attachment products such as movie and travel ticket cancellation protections based on user engagement on our platform and as a part of the payments flow, and (ii) our subsidiary, Paytm Insurance Broking Private Limited, a registered insurance broker with IRDAI offers an insurance marketplace with products across auto, life and health insurance, where we also provide policy management and claim services for our customers..

- *Wealth Management*: We provide wealth management services to our consumers through the Paytm app and the Paytm Money App. Our aim is to bring access to wealth management products to a large number of consumers and merchants. Paytm Payments Bank launched fixed deposits on the Paytm app (a product for which Paytm Payments Bank partners with commercial banks). We launched Paytm Gold (which allows consumers to purchase 24-karat pure gold, with quality assurance), in collaboration with a partner. Paytm Money offers mutual funds, equity and futures and options (derivatives) trading through a registered investment advisor ("**RIA**") license and equity broking license from SEBI.

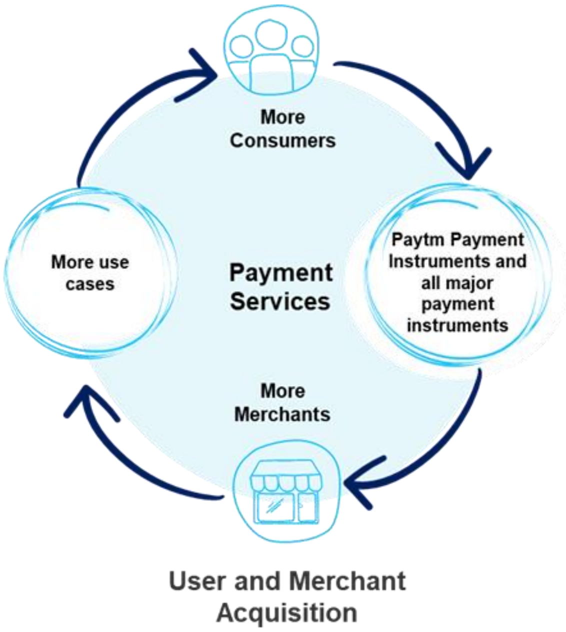
Our Flywheels

We believe that our brand, distribution, insights, technology skills, and the scope of our ecosystem give us an advantage to grow our business through, (i) cost-effective acquisition of consumers and merchants; (ii) reinforce our platform by building higher engagement and stickiness with consumers and merchants; and (iii) build high-monetisation products at low cost of acquisition. We refer to these attributes of our business model as "our flywheels". Our ecosystem has multiple, self-reinforcing flywheels, which drive consumer and merchant engagement and growth on our ecosystem.

For consumers, certain payment categories like money transfer, in-store payments and bill payments are highly relevant high frequency use cases that are efficient and pre-dominant means of consumer acquisition for us. Products such as Paytm Wallet, Paytm Postpaid, savings account and FASTag help build consumer engagement and stickiness and helps us retain consumers. Products such as personal loans, credit cards, which our financial institution partners offer on our app, and insurance allow us to monetize users, at little or no incremental cost of acquisition, and at attractive economics.

Similarly, for merchants, certain payments offerings, such as QR (for in-store) and Payment Gateway (for online) are our primary means to on-board new merchants. Products such as Soundbox and POS devices and Paytm Business Payments, increases their engagement and retention on our ecosystem with attractive monetisation characteristics in many cases. Products such as merchant lending, which our financial institution partners offer on our app, advertising and cloud, offered through our ecosystem, allow us to monetize our merchants, at little or no incremental cost of acquisition, and at attractive economics.

Payment services



We believe that payment services have attractive characteristics for consumer acquisition and retention, given the low cost of acquisition especially for certain categories such as bill payments, mobile top-ups, in-store payments and money transfers, and high engagement due to payments behaviour being high in frequency and repeat usage.

In addition, we believe that our ability to offer more payment use cases and Paytm Payment Instruments attracts more consumers to Paytm. Our consumers typically adopt Paytm Payment Instruments to meet their needs such as convenience, trust and transaction credit, in addition to having the ability to use major third-party instruments.

The larger the number of users who have the Paytm App and use Paytm Payment Instruments, the more attractive it is for merchants to start accepting these instruments from their customers. As more merchants accept these instruments, the consumers see that their Paytm Payment Instruments have wide acceptance, making it more attractive for consumers to use Paytm.

In addition to this flywheel, merchants start using Paytm for non-Paytm Payment Instruments such as third-party credit cards, debit cards, net-banking, creating additional monetisation opportunities for Paytm. This further increases merchant engagement and scale of relationship with Paytm.

Commerce and cloud services

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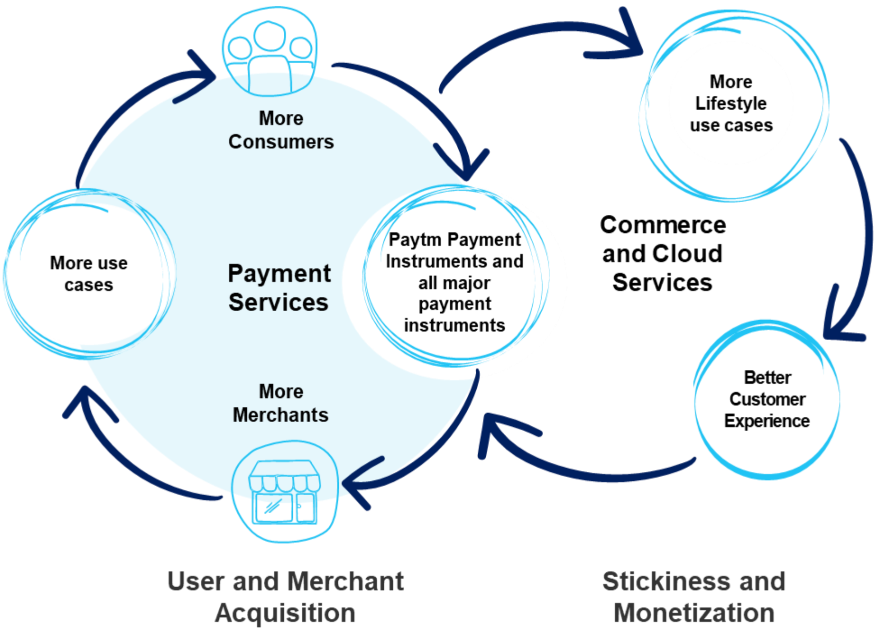

For merchants, we provide consumer-facing offerings such as ticketing, mini-apps and advertising, that allow merchants to offer their products and services to relevant customers. These services on the Paytm app allow customers to use the app to access a wider range of lifestyle use cases, which reinforce our payments business.

As a result, our cloud and commerce businesses help us increase consumer and merchant engagement. Further, these businesses also have attractive monetisation characteristics and produce attractive incremental contribution margins. Through our commerce and cloud services, we are also able to understand our customers and merchants better, which helps us develop and show more relevant products to customers.

Financial services

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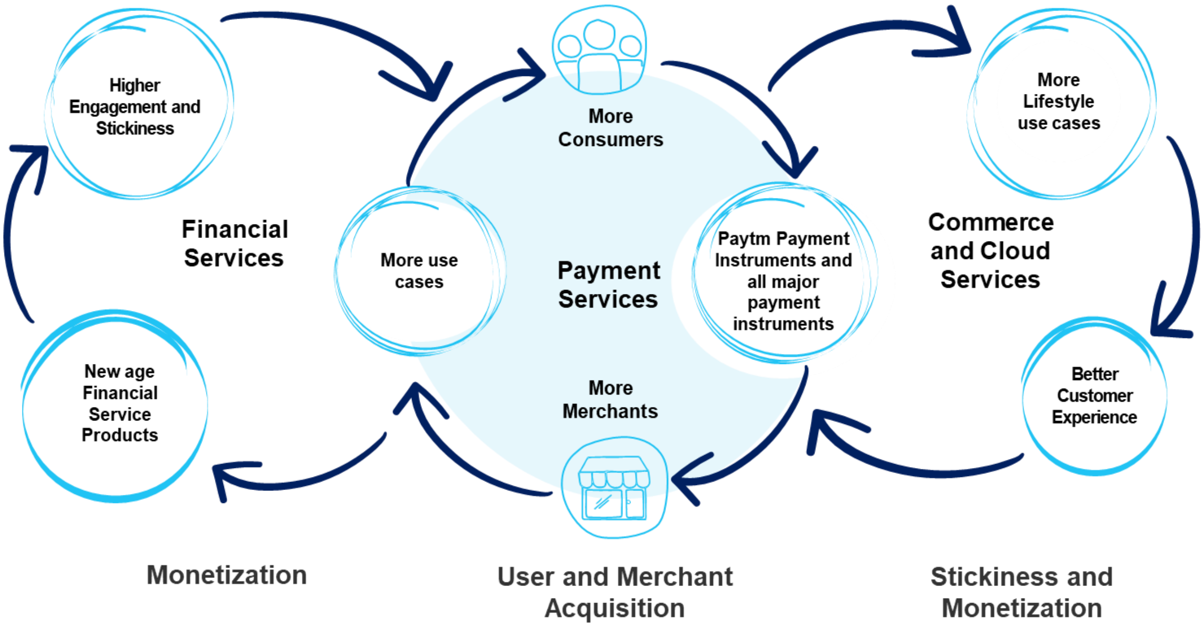


For consumers, we offer various financial services products, including through our associates and financial partners, that help us reinforce engagement and build monetisation. For example, consumers can use Paytm Postpaid, which is a buy-now-pay-later product offered in collaboration with our financial partners, for their daily payment needs, including bill payments and commerce, and equity broking through our wealth management offerings. Users can also use fixed deposit on the Paytm app if they don't have enough funds in their Paytm Payments Bank, at the time of check-out. These are a few examples of Paytm Payment Instruments which address consumer preferences and add to our engagement and stickiness.

Similarly, for merchants, due to our payment services relationships with them, we are able to use the Paytm for Business App and our insights of the merchants' payment flow to offer them an ability seamlessly take a loan from our financial institution partners. This capability makes it more attractive for merchants to use our platforms for all their payments and financial services needs.

Most of our financial services products have attractive monetisation characteristics due to high gross margins and low customer acquisition costs.

Our Key Financial and Operational Performance Indicators

The following table provides a snapshot of our key financial and operational performance indicators.

		As of and for the FY ended March 31,		
	Metric	**2019**	**2020**	**2021**
GMV[1]	₹ billion	2,292	3,032	4,033
GMV growth	*%*	95.9%	32.3%	33.0%
Number of loans disbursed	*In thousands*	5	75	2,635
Revenue from operations	₹ million	32,320	32,808	28,024
- Payment and financial services	₹ million	16,955	19,068	21,092
- Commerce and cloud services	₹ million	15,365	11,188	6,932
- Other operating revenue	₹ million	-	2,552	-
Contribution profit[2]	₹ million	(19,980)	(2,378)	3,625
Contribution profit margin[2]	*%*	(61.8)%	(7.2)%	12.9%

		As of and for the FY ended March 31,		
	Metric	2019	2020	2021
Adjusted EBITDA(3)(4)	₹ million	(42,115)	(24,683)	(16,548)
Adjusted EBITDA Margin(3)(4)	%	(130.3)%	(75.2)%	(59.0)%

(1) We define GMV as the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers.

(2) Contribution profit is a non-GAAP financial measure. We define Contribution profit as revenue from operations less payment processing charges, promotional cashback and incentives expenses, connectivity and content fees, contest, ticketing and FASTag expenses and logistic, deployment & collection cost of our businesses. Contribution margin is the percentage margin derived by dividing contribution profit by revenue from operations. We define Contribution margin as the percentage margin derived by dividing contribution profit by revenue from operations. For a reconciliation of contribution and contribution to the nearest Ind AS measure, please see "***Management's Discussion and Analysis of our Results of Operations – Factors affecting our results of operations - Contribution Profit and Contribution Margin***" on page 389.

(3) EBITDA is a Non-GAAP financial measure. We define EBITDA as our restated loss for the year, before depreciation and amortization expense, Income tax expense, finance costs, other income, restated loss for the year from discontinued operation, exceptional items and share of restated profit/(loss) of associates/joint ventures.

(4) Adjusted EBITDA is a Non-GAAP financial measure. We define Adjusted EBITDA as our restated loss for the year, before depreciation and amortization expense, income tax expense, share based payment expense, finance costs, other income, restated loss for the year from discontinued operations, exceptional items and share of restated profit/(loss) of associates/joint ventures. We define Adjusted EBITDA margin as the percentage margin derived by dividing Adjusted EBIDTA by revenue from operations. For a reconciliation of contribution and contribution to the nearest Ind AS measure, please see "***Management's Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures – Adjusted EBITDA and Adjusted EBITDA Margin***" on page 390.

Our Values and Culture

We believe that we have a unique opportunity to shape how technology can serve India. We believe that this period is seeing a confluence of scalable technology developments, policy and regulation reforms. India is a land of emerging opportunities, and needs to have scalable and inclusive financial services and technology infrastructure that reaches everyone, as well as serves the needy at optimum cost. Our purpose is to build services and offerings that aim to address the needs of a young India.

Our business is based on simple and daily needs of people, and small and medium enterprises. We need efficient, scalable, and cost effective financial services, and this is possible when a technology company starts to learn the opportunities, products, rules and regulations of the financial world. We believe technology helps us to understand user needs and preferences at a first principle level, so that we build solutions to address them. Our intrinsic skills and intent to build new age mobile and cloud technologies allow us to adopt a bottom up architecture that complies with regulations, in line with customers' needs and makes businesses scalable.

Our ethos and belief of "No Fear, No Greed and No Entitlement", instilled in all our teammates, keeps us sincere. We believe that our energies, if channelled without fear, greed and entitlement, enable us to attempt new business models. Our efforts are to build such technology which in turn can be expanded to other similar customer needs and geographies.

- ***Solve big problems using technology*****:** We believe that technology can be a force for good. Technology has successfully improved accessibility to services and products for a much larger strata of society and successfully brought empowerment to the lowest segments of society. We believe that this is our raison d'être.

- ***Paytm will serve the underserved, and be "all-in":*** We believe that technology can transform the lives of everyone, and help them realize their full potential. In doing so, we want to be the pioneer from India.

- ***Maintain and enhance trust*****:** We believe that trust is fundamental to the Paytm ecosystem. Since our inception, we have worked hard to build our brand on the basis of deep trust that we understand is earned. This responsibility is even greater because we help people manage, spend and save their hard-earned money. We strive to be compliant with regulators in India, such as RBI, SEBI and IRDA who regulate our various payments and financial services businesses. We prioritize transparency and high consumer satisfaction, together with data protection, security and data privacy mechanisms as well as maintaining strict KYC and anti-money laundering protocols. By doing so, we are able to protect all of our ecosystem participants and stakeholders.

- ***Change is an opportunity*:** Embracing change and remaining agile is core to our culture. Time and again we have proven our ability to view trends in technology and adapt our products to continue to be relevant to our customers. We strive to react quickly to change and often iterate new offering features quickly with our consumers to develop enduring improvements. We know that some of our attempts will not work, but this risk does not stop us from innovating.

- ***Be the pioneer*:** We believe that transforming the buying and selling experience requires us to provide services to the market that our customers often do not know they need. We seek innovation and breakthroughs that create new markets, alter perceptions of what is possible and deliver new levels of customer satisfaction.

- ***Move fast, responsibly*:** We believe that moving fast, especially in the face of ambiguity, and then constantly calibrating our actions on the basis of feedback, is a source of competitive advantage for us. We believe that being in compliance with the letter and spirit of regulations does not come in the way of our mission to improve the quality of life through technology and business model innovations

Our Competitive Strengths

Our ecosystem allows us to address large market opportunities

We have a wide addressable market in India across payment services, commerce and cloud services and financial services. According to RedSeer, the market segments that we serve have a massive scale and growth, are significantly underpenetrated, and have potential of technology to grow the industry. Our ecosystem allows us to address these multiple large market opportunities at scale and gives us multiple growth vectors.

Our trusted brand, scale and reach

We believe our brand stands for *Trust, Convenience and Transparency*. Paytm is available across the country with "*Paytm karo*" (i.e. "*use Paytm*") evolving into a verb for hundreds of millions of Indian consumers, shopkeepers, merchants and small businesses, according to RedSeer. An indication of trust in our brand is that Paytm has the highest top of mind recall and unaided awareness among merchants compared to other digital payment platforms, which represents the strength of our brand, according to RedSeer. As per the Kantar BrandZ India 2020 Report, the "Paytm" brand is India's most valuable payments brand, with a brand value of US$ 6.3 bn, and Paytm remains the easiest way to transact across multiple methods.

Our payments platform, with a wide selection of daily life use cases and payment instruments, provides us with large scale and reach. We had 333 million consumers and over 21.1 million merchants as of March 31, 2021. Our scale and reach help us distribute new products and services across all of our businesses faster and in a cost efficient manner.

Our deep insights of Indian consumers and merchants

We have developed unparalleled insights into the way Indian consumers spend and save, and the way merchants operate their businesses. Each transaction on our ecosystem provides insigts that help us improve personalization for our consumers and merchants and create products and services addressing their needs. This personalization in turn improves consumer and merchant experience and the quality of their engagement on our ecosystem. For example, being in the middle of payments flows between consumers and merchants, gives us a large amount of transactional insights of our consumers and merchants which helps us design and show customized Paytm Postpaid and Merchant Cash advance products, in partnership with financial institution partners.

We are also able to leverage these insights to develop insights and credit risk models for us and for our financial institution partners, and prevent fraud on our ecosystem.

Our product and technology DNA

We had an average engineering and technology team of 2,550 members in FY 2021. Our technology stack is built ground up and integrated across all aspects of our ecosystem. Building technology ourselves and innovating at each layer of the technology stack, allows us to ensure that we are able to launch products and services quickly, build various features, offer integrated and synergistic products, ensure system stability, handle large scale and provide highest success rates. This significantly improves the experience of our consumers and merchants on our ecosystem.

We are the only payments company in India that, together with our affiliates, owns each layer of the payment stack. This allows us to integrate our payments offering seamlessly with other offerings. Similarly, for financial services, our technology infrastructure is built on a stack that is owned, controlled and written by us, our respective subsidiaries or associates. Our technology ownership and scope of our ecosystem has allowed us (or our associates, or financial institution partners) to offer services such as Paytm Wallet, Paytm QR, Paytm Soundbox, Gold investments and Fixed Deposit, Paytm Postpaid, Merchant Cash Advance and FASTag. All of these products aim to improve the experience of consumers and merchants who use it on our ecosystem.

Our network effect creates sustainable advantages for us

We benefit from self-reinforcing network effects, as described in "***– Our Flywheels***" on page 163. This network effect leads to low acquisition costs, higher monetization and lifetime value of consumers and merchants, and better economics across our offerings.

Our leadership and our distinctive culture

Our mission and focus on solving big problems, and the expanse of our ecosystem makes us an attractive place for best-in-class leaders who bring a combination of domain expertise and a hunger to redefine the way Indians access payments, commerce, cloud and financial services products. This, combined with our culture of empowerment, helps us to grow multiple large businesses at the same time.

Our values and culture guide our approach to the market, and how we do business, and provides us a long-term and sustainable advantage. Our focus on transparency defines our products, and also helps to build trust with regulators and other stakeholders. Our culture of innovation allows us to solve big problems using technology by developing pioneering products.

Our Growth Strategies

Grow consumer and merchant base

We will continue to grow our consumer and merchant base, adhering to our mission which is to bring half a billion Indians into the mainstream economy. We expect this to include tens of millions of small Indian businesses and merchants. While we already have a large number of consumers and merchants on our ecosystem, we believe that there is continued scope for expansion given the under-penetration of the various products and services we offer. We endeavour to continue to increase the engagement and retention of our consumers and merchants on our ecosystem by offering them better products.

Expand and enhance Paytm App's offerings for our consumers

It is our endeavour to continue to add new use cases and new payment instruments that add value to our consumers and increase our monetization. We will continue to focus on bringing together various pieces of our ecosystem to build innovative products for our consumers, which could take the form of increasing seamlessness between (i) consumers and merchants, (ii) various use cases and, (iii) various payment instruments.

Deepen merchants' partnerships and drive adoption of technology among our merchant base

Our merchants are integral to Paytm's ecosystem. We plan to continue to expand our merchant network across cities and towns in India while also deepening our partnerships with existing merchants. We will continue to expand our payment services' offerings for merchants and innovate to offer wider selection of commerce and cloud services. We also intend to continue making access to technology easy and affordable for our merchants by identifying merchant problems that can be solved using technology.

Rapidly scale up financial services and expand access of financial services through deep tech-led solutions

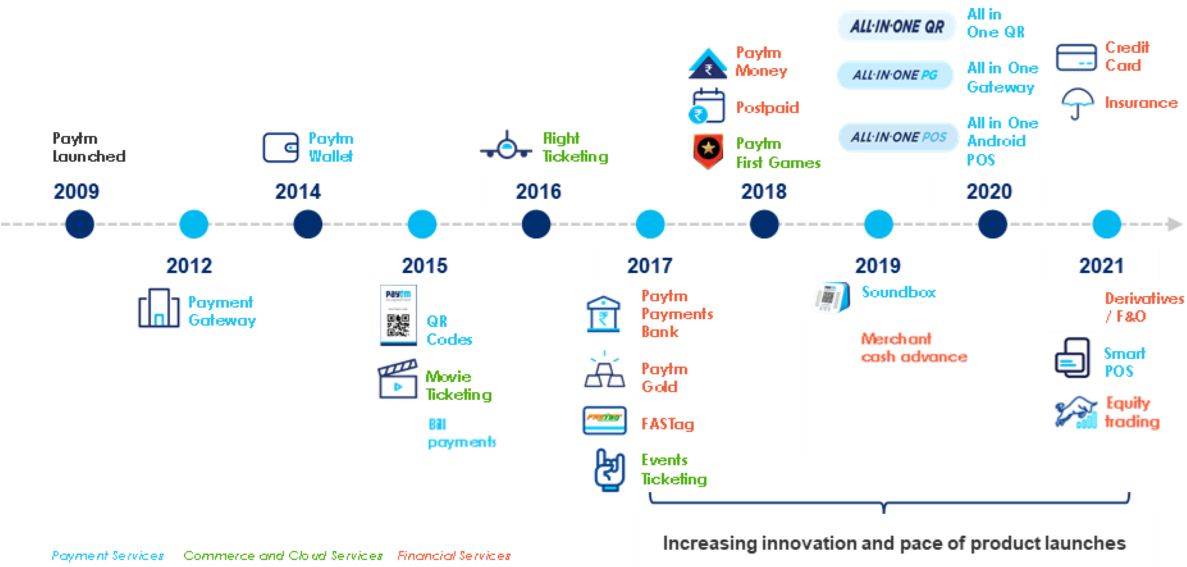
We are focused on rapidly scaling up our financial services business. We will focus on consumers and merchants who have limited access to financial services products, and continue to work in close collaboration with our financial institution partners to create products and services addressing their requirements while leveraging our technology and insights. A key strategic focus for us is to scale up our consumer and merchant lending businesses, including Paytm Postpaid (buy-now-pay-later), in collaboration with our financial partners, as well as our wealth management offerings. We plan to continue to leverage our partnership with Paytm Payments Bank to expand the suite of banking solutions for consumers and merchants.

Expand into international markets

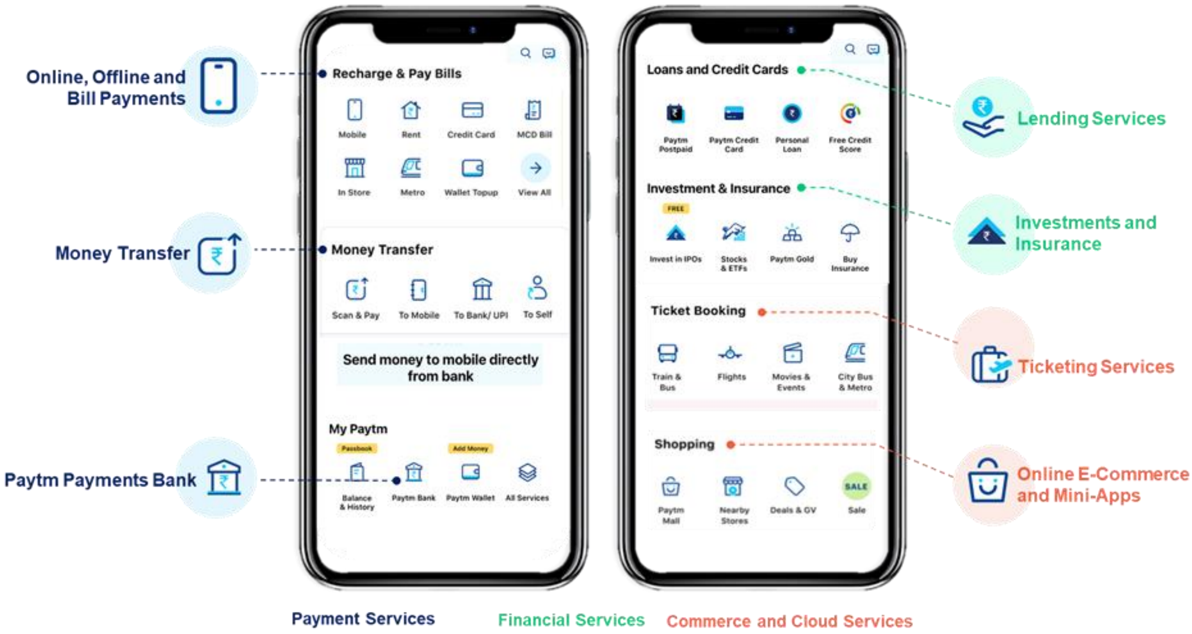
While we continue to innovate and provide better products and services to our consumers and merchants in India, we believe there is a large opportunity for us to leverage our technology infrastructure and expand to international markets. In 2017, we piloted our bill payment services in Canada and in 2018, we partnered with Softbank Corp. and Yahoo Japan Corporation to launch PayPay, a leading digital payments and financial services company in Japan. We continue to explore international opportunities, especially in the developed markets, where we can either launch our merchant services, or collaborate with partners to launch consumer facing platforms.

Our Products and Services

We offer products and services to our consumers and merchants across payment services, commerce and cloud services and financial services. In the first few years of our journey we introduced products like the Paytm Wallet, the Paytm App with mobile top-ups and bill payments, and payment gateway for merchants which helped us create a large base of online consumers and merchants. In 2015 and 2016, we launched additional services on our app such as the QR code for in-store payments, and entertainment and flight ticketing, which helped expand the use cases where our consumers could use Paytm. Over the past five years we have launched additional products which have helped increase user stickiness and increased monetisation, by offering devices and other services to merchants, launching additional Paytm Payment Instruments, such as Paytm FASTag and Paytm Postpaid, and launching financial services offerings such as wealth, lending and insurance for consumers and merchants, in partnership with financial institutions. In the last three years, our product launches have accelerated as we expanded our distribution.



Our Paytm Super App



Our Paytm Super App is an integral part of our offerings. As per RedSeer, Paytm has the widest selection of payments, commerce and financial services on its app. Through our app, consumers can manage multiple aspects of their daily. We enable our consumers to make payments through the Paytm App using major third-parties instruments and Paytm Payment Instruments. Consumers can make online recharges, bill payments, money transfers and pay in-store merchants using the Paytm super App. Our consumers can also buy entertainment and travel tickets, consume content, play online games and access hundreds of mini apps across food delivery, ride hailing and e-commerce. Further we offer a broad range of financial services, including in partnership with financial institutions, such as consumer wallets, postpaid (buy-now-pay-later), auto and health insurance, personal loans, brokerage accounts and equity trading accounts.

Payment Services

We are the largest payments platform[10] in India, with a GMV of ₹4,033 billion in FY 2021, according to RedSeer. We have the most comprehensive suite of payment services for both consumers and merchants, according to RedSeer, which enables merchants to make and receive payments in a convenient, seamless and secure manner, online and in-store.

Through Paytm, our consumers have the ability to make bill payments and mobile top-ups, transact and pay online or in-store for commerce, transfer money digitally and more. Consumers can make payments through Paytm Payment Instruments on the Paytm App, in-store payments, online payments and on mobile. We offer a comprehensive set of payment services to our merchants, including payment gateway, all-in-one QR code and all-in-one POS, among others enabling them to accept payments through Paytm Payment Instruments and major third-party instruments and payment methods.

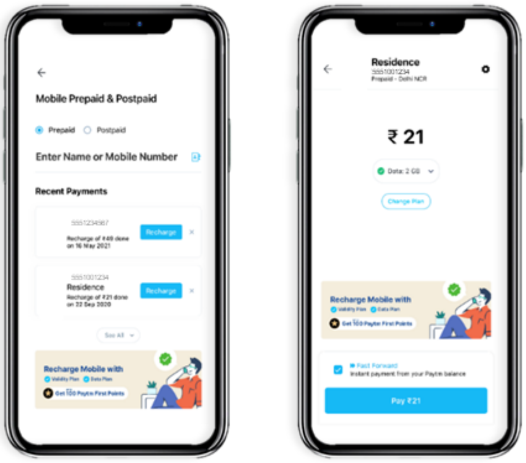
Payments offering to consumers:

Bill Payments

[10] In terms of the number of transactions between consumers and merchants.

We believe that we played an instrumental role in revolutionizing the digital recharges and bill payment services in India. We started with mobile, DTH television and internet data card recharges as the first payment use cases in 2010. As of March 31, 2021 we provided consumers the ability to conveniently make bill payments across 26 use cases including electricity, cooking gas, water, mobile and broadband, credit card, rent, educational fees and various other such recurring payment use cases on the Paytm app. Consumers can also pay for city and town services such as challan or municipal bill servicing.

To bring better convenience to consumers, we have enhanced our mobile top-ups and bill payment experience with features such as Fast Forward and recurring Automatic Payments. The Paytm App also seamlessly reminds the consumers about their plan expirations and due dates, depending on the use case, to ensure that they never miss a payment. We give our users the flexibility to select their preferred payment instruments and choose from one of the widest range of payment options.



Choose from the payment reminders appearing on screen

Use the fast-forward functionality to recharge in one click via Paytm Wallet

Money Transfer

On the Paytm App, consumers can do money transfers from UPI and Paytm Wallet, which are supported by Paytm Payments Bank. Users can transfer directly to either another wallet, their own linked bank account, a mobile number (if the receiver's bank account is linked on the Paytm platform), any bank account, or any UPI identification.

In-store Payments

Consumers can use Scan and Pay on the Paytm app, to scan a QR code and make a payment, either through the All-in-One QR, issued by Paytm Payments Bank, or through a UPI QR issued by a third-party. Consumers can also use the Scan and Pay feature to scan QR codes on our smart devices, as well as pay through credit, debit or prepaid cards on Paytm, in-store POS machines, or contactless payments on Paytm Smart POS on merchant's mobile.

Paytm Payment Instruments

Paytm (together with Paytm Payments Bank, our affiliates and financial institution partners) offers Paytm Payment Instruments, which allow consumers to use wallets, sub-wallets, bank accounts, and buy-now-pay-later, at a wide range of merchants across the country. These instruments can be used on online and mobile platforms, including on the Paytm app, as well as for in-store transactions:

- Paytm Wallet: Paytm Payments Bank provides a secure digital wallet that allows consumers to make payments at over 87,000 online merchants and 21.1 million in-store merchants. Consumers use wallet for its convenience including having greater control on their expenses, highly secure payments, Fast Forward on bill payments, and seamless integration across mobile, online and in-store payments, on and off the Paytm app. Consumers can add money to their Paytm Wallet using any instrument on the Paytm app, and also while on some partner apps. Corporates can also create sub-wallets such Food Wallet, Gift Wallet, Allowance Wallet, and Fuel Wallet customized for their employees. As of March 31, 2021 Paytm Payments Bank had 333 million Paytm Wallets.

- Paytm Postpaid: Through Paytm Postpaid, in collaboration with our financial partners, we provide consumers the flexibility to use the buy-now-pay-later option across our merchant base. Consumers can make transactions up to their individual credit limit every month and repay their balance next month by UPI, Paytm Wallet, debit card, and net banking, using the Paytm App. The feature of bill EMI enables our consumers to convert their total spends into customized EMIs, payable alongside nominal interest rates.

- Paytm UPI: Over 155 million Paytm UPI handles have been created by the Paytm Payments Banks and are used, to send and receive payments. Users use these for money transfers, on the Paytm app, to add money to the Paytm wallet and at third party merchants, and make payments by scanning any UPI QR code. Our users can register for Paytm UPI using their Paytm app and transact digitally in a secure manner, as well as instantly check the balance of the linked account.

- Paytm FASTags: FASTag is promoted by the National Electronic Toll Collection ("**NETC**") program for making toll payments directly from the customers linked prepaid or savings/current account. Issued by the Paytm Payments Bank, the Paytm FASTag, a reusable tag based on RFID technology, can be placed on a vehicle's windscreen and enables electronic toll fee collection on highways across the country. A key differentiator of Paytm FASTag is that it does not require a separate prepaid account or login credentials, and is linked seamlessly to the Paytm Wallet. This increases consumer convenience, since they can be assured that as long as they have balance in their Paytm Wallet they will be able to use their FASTag seamlessly. Consumers who actively use Paytm FASTags are, hence, more likely to keep a wallet balance which in turn makes it more likely that they will use Paytm Wallet at other merchants.

- Fixed Deposits: We offer fixed deposits on the Paytm app, through the partnership that Paytm Payments Bank has with commercial banks in India. The fixed deposits come with "super liquid" feature allowing real-time, 24*7 management, including instant redemption with no penalty, as well as earn interest on the balance. Users also have ability to redeem their fixed deposit at transaction check-out, and instantly fund their Paytm Payments Bank account, which can be used for purchases. As of March 31, 2021, total outstanding fixed deposits were ₹17.5 billion.

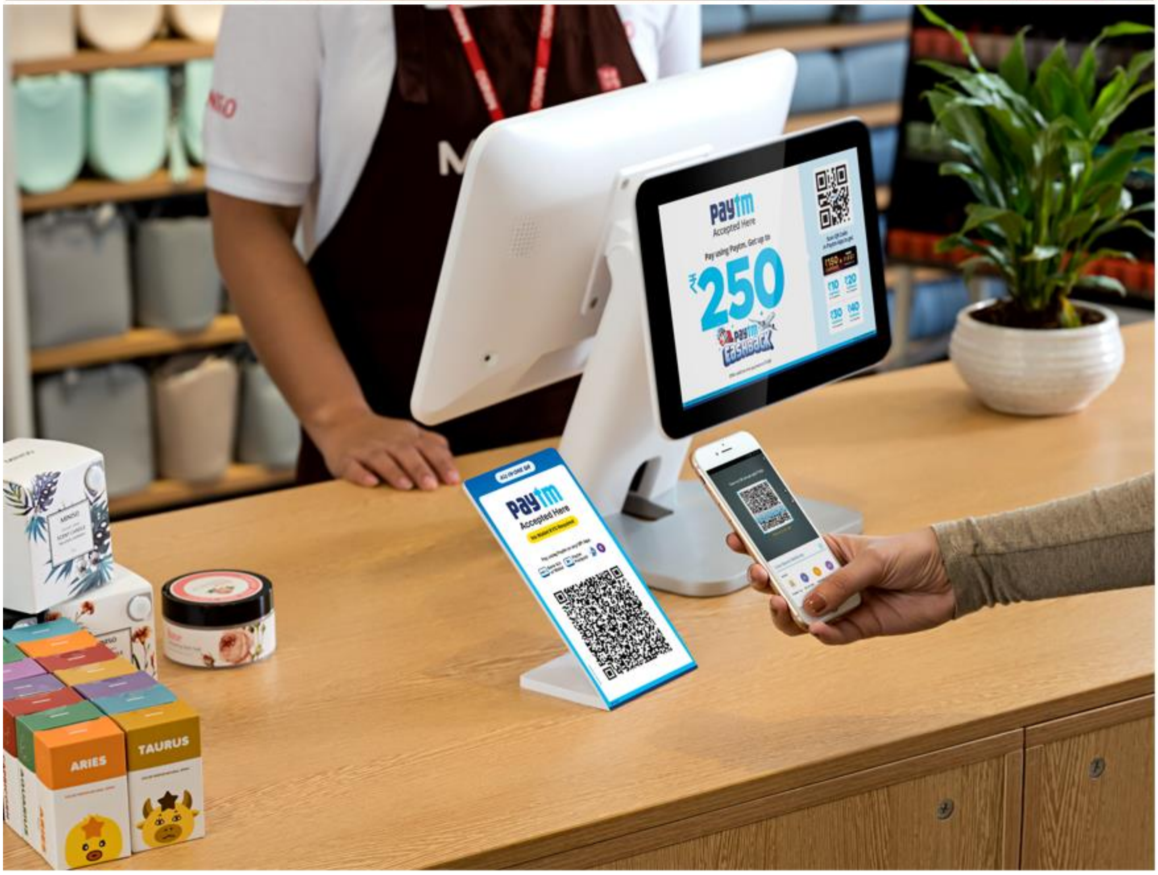
- Paytm Payments Bank Debit Card: Every account holder with a Paytm Payments Bank account is provided with a free digital debit card which can be used to make in-store and online payments. Consumers also have other benefits from direct integration on the Paytm App, such as activating their debit card, adjusting daily spend limit, changing and setting up of ATM pin, among others. Consumers can also separately order a physical debit card to withdraw cash from ATMs or pay at stores in India and abroad.

- Paytm Credit Card: We offer co-branded credit cards (in partnership with leading commercial banks in India), and digitize the entire credit card experience on the Paytm App, from the application process to tracking and issuance of the credit card. We also offer card management services on the Paytm App, including real-time transaction history, spend analytics, and ability to change credit limits, among others.

- Other Paytm Payments Bank instruments: As of March 31, 2021, Paytm Payments Bank had 64 million bank accounts. Each account holder has the ability to use Paytm Payments Bank Debit Card and Paytm Net Banking to access their bank accounts and make payments to merchants.

Payments offerings to Merchants:


Make your own Pizza
Paytm
250
Cashback
Scan to Order


Paytm
Accepted Here
Pay using Paytm. Get up to
₹250
Paytm
Cashback
Paytm
Accepted Here
ARIES
TAURUS

Payment Gateway Services

Our payment gateway service started in 2012 by processing Paytm Payment Instruments, such as Paytm Wallet, and by leveraging the large merchant penetration of Paytm Payment Instruments, has expanded into processing other third-party instruments such as credit card, debit card, net banking, and UPI. Merchants can accept payments through all our Paytm Payment Instruments, as well as, major third-party instruments. Offering Paytm Payment Instruments to their customers, gives our merchants an advantage in acquiring customers. Our payment gateway empowers a large number of businesses including small businesses, start-ups, small e-commerce firms, and retailers across the country. We have partnered with 15 major banks in India to enable merchants to provide cashback offers and no-cost EMI-deals.

Our advanced features such as management of payment subscriptions, instant refunds on the payment gateway, payment links which the merchants can share with the consumers, and allowing international collections – allowed us to deepen our merchant engagement. With instant on-boarding and reseller on-boarding we have now expanded our payment gateway service to small and mid-sized merchants. We have also launched attachment subscription services such as Super Router, which helps merchants route payment transactional traffic between multiple payment aggregators.

Our service is supported by our real-time risk detection and fraud prevention technology tools to ensure safe and secure payments. We have also introduced a custom UI software development kit module for merchants through which the merchants can customize their payment page.

Paytm offers a comprehensive platform for online merchants to accept payments through Paytm All-In-One Payment Gateway. It can be integrated into desktop, websites, or mobile apps in a store. By integrating the service, merchants can start accepting online payments and expanding the digital reach of their business. It ensures quick integration of the payment solutions, eliminates redirection, and enhances brand visibility with a customized user interface and logo. We are the largest payment gateway aggregator in India, for the FY 2021, according to RedSeer, based on total transactions and with the widest ecosystem of payment instruments.

All-in-One QR Code

Paytm is the pioneer of QR code-based payment method for in-store merchants, being the first company to have launched QR payments for in-store merchants in India in 2015, according to RedSeer. QR codes allow small shopkeepers to accept digital payments at zero upfront cost, and at zero MDR, without needing access to the internet or paying for a POS machine. Our product readiness and scalable platform helped us accelerate the adoption of QR codes among merchants when the government of India announced the demonetization of certain currency notes in 2016. We launched the All-in-One QR Code in January 2020, which gives merchants the power to seamlessly accept payments from multiple instruments like Paytm Wallet, Paytm UPI, Net Banking, all major debit cards, credit cards and prepaid cards, and all other UPI apps directly into their bank account, and benefit from a single point reconciliation on the Paytm for Business app. According to RedSeer, with 21 million merchants, more merchants use our QR-codes compared to any other payments company in India.

All-in-One POS Devices

As a part of our mission to empower our merchants with technology-led solutions, we expanded into smart payment devices in 2019, with the launch of our POS machine. We have since introduced a number of smart devices such as Paytm All-in-One Android POS devices, All-in-One Android Smart POS, among others, including devices with the ability to generate a dynamic QR. We offer portable devices for basic payments to advanced payments, depending on the use-case, as well as transaction confirmations and reconciliation – for sound, visual and print based merchant solutions. Our devices provide yet another solution to our merchant to accept payment across multiple instruments including Paytm Payment Instruments, all major debit cards, credit cards and prepaid cards.

In 2019, we launched the Paytm All-in-One Android POS devices, which has integrated both dynamic QR Plus, with the ability to generate a dynamic QR, and All-in-One Android Smart POS. The Android-based All-in-One POS is pre-bundled with cloud-based software for billing, payments, and customer management, with ability for integration with industry specific solutions, thereby reducing incremental software integrations for merchants. The device can be used to accept payments (including registering cash sales), print bills and scan items for faster checkout at the counter. In addition to accepting payments, merchants can also generate goods and services tax compliant bills and manage all transactions and settlements through their Paytm for Business app on the device.

In 2020, we launched our All-in-One Portable Android Smart POS, a low-price handheld mobile device for accepting orders and payments on the go. In 2021, we have launched the Paytm Smart POS for Android phones, an application which transforms a smartphone into a device that accepts contactless payments from all major debit, credit card and prepaid payments, supported by the Paytm for Business app.

Our POS devices come pre-enabled with attached customer solutions such as no cost EMIs on debit cards and credit cards, through partnerships with leading consumer brands. Additionally, we have also integrated Paytm Postpaid on our Android POS machines, powering shoppers to buy on credit and benefitting the retailers across the country. We are thus creating an ecosystem for POS devices, interlinked with the Paytm platform.

Paytm Soundbox and Soundbox 2.0

Launched to address a gap and specific need amongst our merchants, Paytm Soundbox is a battery operated IoT-based device providing voice-based confirmation of QR code payments to merchants. Paytm Soundbox has played a pivotal role in establishing digital transactions as a safe and secure process, enhancing the trust of merchants and consumers to move digitally. Merchants do not need to check their mobile phones for payment confirmation, or be physically present at their shops, thereby increasing efficiency, reducing queues and customer waiting time, while also allowing them to keep track of payments, prevent false confirmations and customer fraud.

In 2021, we upgraded the capabilities of the Paytm Soundbox with the launch of Paytm Soundbox 2.0 that with a digital screen that gives instant visual confirmation of the paid amount along with the voice notification. This Soundbox integrates our all-in-one payments and reconciliation capabilities, enabling merchants to replay last transactions and day-end summary of records.

The battery-operated, Soundbox devices customized for the wide categories of merchants and small businesses, including roadside vendors across India, with voice notification in seven languages. These devices are equipped with Paytm All-in-One QR Code, enabling merchants to accept payments from multiple instruments directly into their bank account. We also have the ability to launch in-store advertising on Soundbox notifications, including segmented service placements to merchants.

Paytm Business Payments

Launched in FY 2020, Paytm Business Payments is a single platform solution to help merchants make payments for all business use cases, including to vendors, employees and customers. This helps companies better manage their cash flows and their payables including (i) vendor payments, such as rent payments, supplier invoices, and utility bill payments, (ii) customer cashbacks, refunds, and other disbursements, and (iii) employee salaries, reimbursements, channel partner incentives, and allowances.

For vendor payments, Enterprise Bill Payments Solution ("**EBPS**") through Paytm Business Payments is a powerful dashboard tool that gives merchants the ability to manage, and process, business and utility bills. Merchants can also organize and reconcile all monthly bills for multiple use cases. EBPS comes with a hassle-free reconciliation system and automatically fetches new bills as they are generated. It also provides custom reports based on business locations, which can be easily integrated with the enterprise resource planning and financial reporting systems of merchants.

Through Paytm Business Payments, merchants can process instant refunds to customers, and promote their brand through user incentives such as cashbacks, deals, vouchers and app promotions. Paytm Business Payments also lets our merchants process employee benefits and salaries, create custom wallets for reimbursements and allowances, as well as pay channel and sales partner incentives. Our financial services merchants can make instant loan disbursals, pay claims or refunds.

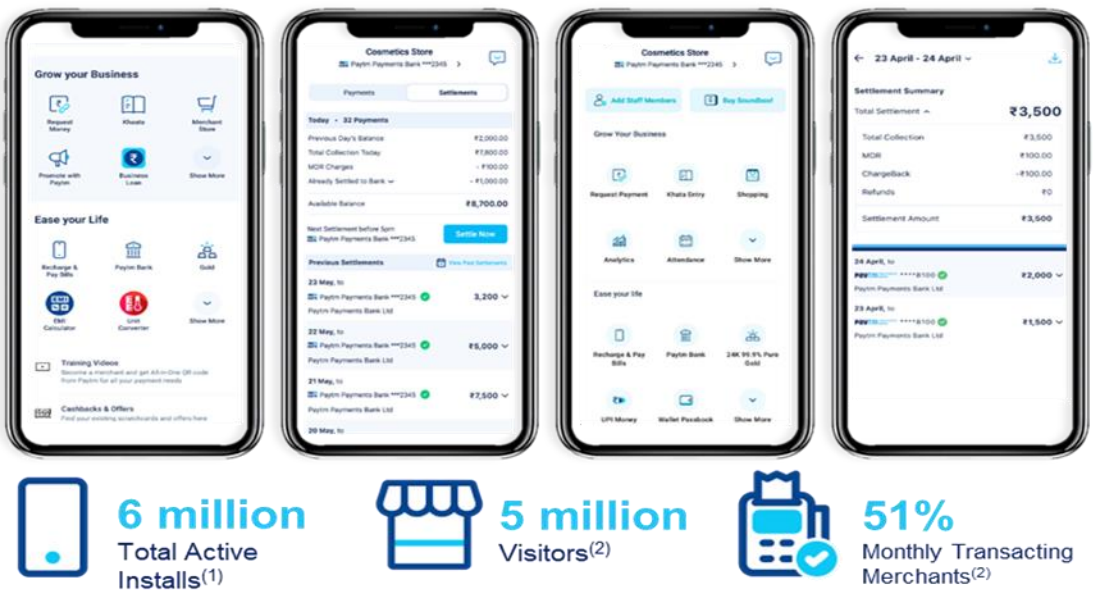
Merchants can add funds to their Paytm Business Payments account from any bank account and upload all their payments in one go. This solution is driven by an API that can be integrated with any platform, thereby eliminating the need for companies to invest time and resources to build their platform. Merchants can simply share Paytm

Business Payments links with their customers, vendors and partners, who can add their details and receive payments instantly into a bank account or instrument of their choice. With a single point reconciliation, merchants can track, schedule, and manage funds with real-time updates on a single dashboard for all business payments.

Paytm Business Payments can be expanded beyond these use-cases, with transfer directly into money-market instruments, such as digital gold and mutual funds, in collaboration with our financial partners and Paytm Money. If a merchant uses Paytm Payments Bank as the acquiring bank, our platform retains the ability to offer a single, real-time account for all fund flows.

Paytm for Business App

Our merchant-only app, 'Paytm for Business' is an intuitive, user friendly, easy to use app, with over five million monthly visitors as of March 31, 2021. It enables merchants to make bill payments, transfer payments to their bank accounts, select their settlement frequency, link or change their destination bank account, view all their transactions in one place, open a Paytm Payments Bank account and order Paytm QR-supported merchandise (such as QR codes, and Soundbox). Once on-boarded, merchants can access and utilize all services of Paytm Payments Bank through this dedicated app. Merchants can also avail multiple business services (such as promoting their business on Paytm App and managing loyalty solutions and other cloud services) and financial solutions (such as working capital loans and insurance products, through our financial institution partners) directly through the Paytm for Business App.



(1) as of March 31, 2021
(2) For the month of March 2021.

Commerce and Cloud Services

Through our wide suite of commerce and cloud service offerings, merchants can connect with consumers to increase demand for their products and services, and improve their business operations. We help our merchants conduct targeted outreach to our consumers to offer services such as ticketing (for entertainment and travel), deals, loyalty services, mini apps and advertising. We also provide our merchants software and cloud services for various aspects of their business, such as billing, ledger, vendor management, customer promotions, catalogue and inventory management.

We also provide software and cloud services to enterprises, telecom companies, and digital and fintech platforms to track and enhance customer engagement, build payment systems, and unlock customer insights and drive higher conversion for our commerce offerings

Travel ticketing

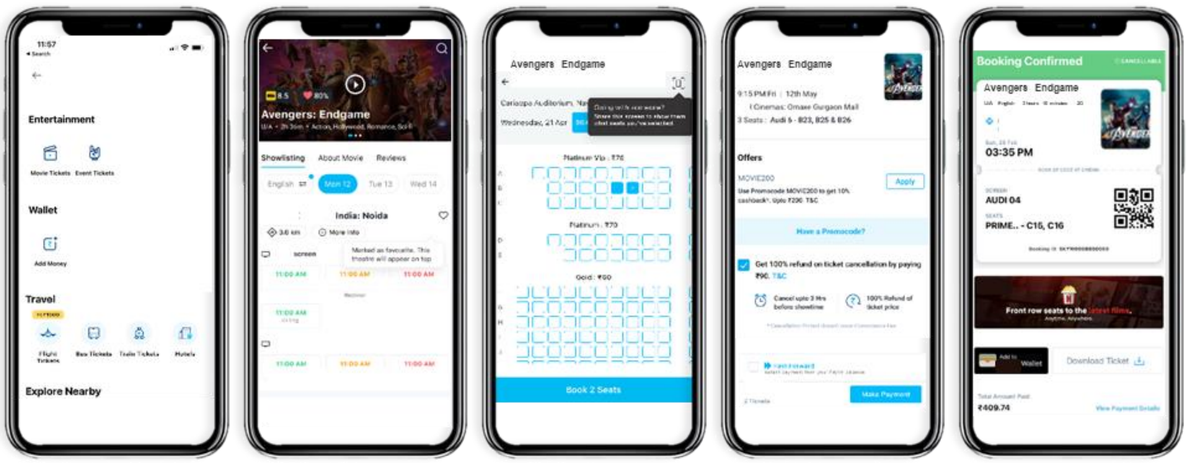
Through our platform, our consumers can book flight, inter-city bus and train tickets on the Paytm App. We have partnerships with all major domestic airlines and we are an International Air Transport Association (IATA) accredited travel agent. We have direct integration with over 2,000 bus operators. We leverage our transactional and behavioural insights to suggest relevant travel ticketing options to our consumers on the Paytm app. We have innovated in the travel ticketing vertical for customer convenience by launching new products such as a nearby airport feature, EMI-based loans for flight travel, PNR confirmation status and live running status for train travel as well as contactless ticket-buying on buses.

Entertainment Ticketing

Through our platform, our consumers can purchase tickets for movies, and sports, music, comedy, theatre and other events, on the Paytm App, as well as the app of our subsidiary, Paytm Insider.

During FY 2020, we sold movies tickets across 5,700 screens and were the second largest booking platform in India, in terms of movie tickets sold, according to RedSeer. Additionally, we have deep partnerships with 1,200 screens in India, whose tickets are only available on Paytm and partner apps. We work with our partners closely to develop several features, such as seamless ticketing, real-time seat map information, and detailed theatre information, that enhance customer experience. We have also built features such as cancellation insurance, and Paytm Movie Pass, which entitles the user to multiple movies within a fixed period, to enhance customer experience.

Through Paytm Insider, our wholly owned subsidiary, we offer sports event ticketing across cricket, football and badminton, among others. We provided ticketing services for over 2,200 events in the month of March 2021. We help our events partners with online ticket sales, digital marketing, on-ground technology-led crowd management solutions, and fan-club management. We also provide event partners insights that help them decide location, pricing and the size of events.



Select option for booking movie from main menu | Select the movie and choose the theatre | Select seats. Option to share screen with others on seat selection | Fast forward to pay via Paytm Wallet or access all linked payment instruments | Access movie tickets through app

During the COVID-19 lockdowns in India in the last quarter of FY 2020, we launched digital events for our consumers in areas such as, fitness, mindfulness, skill development, volunteering, donation and fund raising. We also help our brand partners organise events that allow them to engage their consumers and expand their presence.

Advertising

In July 2019, we started providing advertising services to merchants to help them create brand awareness, acquire and retain customers. As of March 31, 2021, 275 advertisers have run campaigns on our platform. Paytm Ads leverages Paytm's distribution and consumer insights to offer innovative advertising solutions to clients across industries. Paytm Ads places partner advertising at strategic touch points on the Paytm App, and on partner properties, to engage with customers, while ensuring that the customer experience does not get adversely impacted through careful selection of properties and ensuring high relevance to the customer.

Paytm Ads has two solutions, Paymetric and Brand Lift Studies, which are used to analyse advertising campaigns. Paymetric is the solution used for analysing campaigns that run on Paytm and Brand Lift Studies are used to analyse campaigns that are run through the Paytm Demand Side Platform, a platform to run programmatic video advertisements outside the Paytm ecosystem, while utilizing Paytm Ad's insights.

Paytm Ads differentiates itself from other advertisers as it has deterministic insights to map consumer transactions to their lifestyle choices and create customised cohorts for targeted ad campaigns. This allows merchants to leverage our active consumer base and also our overall registered consumer base.

Gaming

Paytm First Games Private Limited ("**PFG**"), in which we own 55% equity interest, offers mobile and online gaming. As of March 31, 2021, PFG had a registered base of 23 million users. PFG builds and operates a multi-gaming platform and its flagship offerings include skill-based real money games of Fantasy Sports and Rummy, among others. Users engage in live professional sporting events such as cricket, football, and kabaddi, in Fantasy Sports. PFG is currently one of the top fantasy sports platforms in India in revenue and user's terms, according to RedSeer. PFG also operates Rummy, a live multiplayer, fast-paced, and skill-based cards game. Currently, Fantasy Sports and Rummy are together the largest skill-based real money gaming marketplaces in India, with a combined market size of US$0.8 billion for FY 2021, and expected to grow at a CAGR of 45% over the next 5 years, according to RedSeer.

Paytm First

Paytm First is a premium subscription-based rewards and loyalty program for our consumers. For a fixed subscription fee, consumers can access a wide range of exclusive benefits including OTT video and audio content subscriptions, cashback offers and loyalty programs. Paytm First further helps improves user stickiness and drives higher engagement with our consumers. We also issue Paytm First points to users for transacting on the Paytm ecosystem, which can be redeemed against deals, and vouchers.

In addition to above, we are able to provide our merchants with a selection of business services which helps them in further improve their operations and reach. Our key offerings include:

Android Mini-app platform for developers

Paytm Mini-apps platform empowers our developer partners to leverage our digital distribution reach and payments to reach customers, and engage or transact with them. We provide listing and digital distribution of these mini-apps within our Paytm Super App without any charge. In order to provide more options to our consumers, we allow businesses across food delivery, content, gaming, e-commerce, utilities, among others, to host their applications on our platform. This helps us in driving higher traffic through our ecosystem, increase user engagement and building the developers' community.

For existing Paytm users, this is a seamless experience without downloading another app, using their existing Paytm log-in and their preferred payment option. Additionally, our Paytm Mini-apps platform comes with a developer dashboard for analytics, payments collection along with various marketing tools to engage with the users.

As of March 31, 2021, we had over 480 mini-apps on our platform ranging from content to transaction apps and across a broad range of industries, including food delivery, gaming, e-commerce, and with a visitor base of 5.7 mn monthly active users.

Software and Cloud Services

We offer a wide range of software and cloud services to our merchant partners:

- *Small and Medium Enterprise Cloud:* We help merchants improve customer engagement and streamline operations. Our services include (i) Loyalty which enables merchants to issue cashback, vouchers and other such deals to their customers as loyalty rewards. Users can redeem these rewards on the Paytm App, (ii) Channel which allows merchants to open an online storefront where they can directly communicate with their customers, and (iii) Billing and Ledger Services (*Business Khata*) which is an e-ledger service. Business Khata also provides additional services to merchant including the ability to (i) save customer details, (ii) record sales and payments, (iii) track customer balance instantly, and (iv) send direct payment links to customers.

- *Enterprise:* we offer a wide range of product and services in this segment to mobile consumers in over 24 countries and over 170 brands across the globe. Our products and services include platforms and solutions to manage customer lifecycle, digital services to engage consumers, and entertainment content to upsell customers.

- *Paytm AI Cloud ("**PAI Cloud**"):* proprietary suite of SaaS applications created in-house to address requirements of digital and fintech platforms ranging from building payments systems, preventing fraud, managing multi-channel customer engagement, and unlocking customer insights.

Financial Services

Financial Services are innovative and new-age offerings including mobile banking, lending, insurance, and wealth management for consumers and merchants, offered through Paytm Payments Bank and partner financial institutions. Our reach, size and scale of payment services puts us in the middle of payment flows between consumers and merchants. This gives us opportunities to distribute and develop financial products that can be the source of payments (such as deposits or lending) and destination of payments (such as wealth management). Our payments businesses also give us a deep understanding of our consumers and merchants' behaviour and transaction patterns. We are able to leverage those insights to provide financial services to our consumers and merchants. We have a large base of active consumers and merchants, which provides us with an existing deep, low cost of distribution network for our products and helps expand access to financial services for all segments of the population. We provide most of our financial services through our financial institution partners.

It also helps us increase user stickiness and drive higher engagement with our consumers. Access to the entire technology stack, including the banking and wealth management through our seamless integrations with Paytm Payments Bank and Paytm Money Limited, enables us to innovate and introduce new products and services quickly. It helps us expand our payment services offerings and scale our offerings efficiently.

Paytm Payments Bank

We provide banking services through Paytm Payments Bank, in which we own 49% equity interest. Paytm Payments Bank holds a payments bank license from RBI. Paytm Payments Bank has the largest scale[11] among all licensed Payments Banks in India, according to RedSeer, in terms of mobile transaction. As of March 31, 2021, Paytm Payments Banks had 64 million savings accounts, and over ₹52 billion deposits (including savings accounts, current accounts, fixed deposits with partner banks, and balance in wallets). As of March 31, 2021, over 50% of our registered merchants hold an account with Paytm Payments Bank and benefit from its new-age digital banking services.

Paytm Payments Bank is a mobile-first bank with no zero minimum-balance requirement for accounts and has no digital transaction charges or maintenance charges for the accounts. Paytm Payments Bank offers one of the most comprehensive suite of digital banking products, for individuals, small and medium enterprises, and large corporates which can be accessed directly by users through the Paytm app. Paytm Payments Bank is also one of India's first payments bank to launch a video KYC facility, according to RedSeer, which provides a zero-contact and paperless KYC for consumers thereby helping improve customer acquisition spends.

[11] Based on total transaction value, transaction volume and bumber of accounts.

Key products offered by Paytm Payments Bank include:

- *Paytm Wallet:* Paytm Payments Bank owns the RBI issued Pre-paid Payment Instrument ("**PPI**") license for Paytm Wallet, which provides a secure digital wallet that consumers can use to make payments across Paytm's merchant network. Additionally, our corporate merchants can create sub-wallets such as Food Wallet, Gift Wallet, Allowance Wallet, and Fuel Wallet customized for their employees. Features of the Paytm Wallet available to our consumers vary depending on the level of KYC completed by the consumer. While utilizing the Paytm Wallet for payments to merchants, as well as paying online is available to all. customers, in line with regulatory requirements Features such as money transfer (to another wallet or bank account) are reserved for consumers who have completed their full KYC with Paytm Payments Bank.

- *Savings accounts:* Paytm Payments Bank offers savings account facilities with no account opening charges or minimum balance requirements. Users also earn an interest of 2.5% per annum. As per RBI regulations, customers of a payments bank can have maximum end of day balance of ₹200,000 with the payments bank. Opening a savings account with Paytm Payments Bank is also reserved for consumers who have completed their full KYC with Paytm Payments Bank.

  Every Paytm Payments Bank account comes with a free digital debit card which can be used to make online payments. Consumers can also opt for physical debit cards which can be used to withdraw cash from ATMs (including Paytm Payments Bank operated ATMs) and pay at stores globally. Consumers have various benefits from direct integration on the Paytm App, such as adjusting daily spend limit. Every debit card comes with a unique QR code at the back of the card which can be used to activate card, change PIN or block or unblock a card. Paytm Payments Bank has also launched the Direct Benefits Transfer ("**DBT**") facility where customers can receive benefits of over 300 government subsidies directly into their savings account.

- *Paytm UPI*: Paytm Payments Bank is a NPCI certified Payment Service Provider and Issuer Bank for UPI transactions. This, along with being an acquirer of UPI transactions on its own platform, allows Paytm Payments Bank to serve a customer end-to-end in a UPI transaction. For the fourth quarter ended March 31, 2021, Paytm Payments Bank was the largest UPI beneficiary bank with a market share of 17.1%, according to RedSeer. It has over 155 million UPI handles on its platform for accelerating the growth of UPI payments at retail stores and even large merchants. In April 2021, according to RedSeer and NPCI, Paytm Payments Bank had the lowest technical decline rate of 0.01% as a remitter bank while other banks had a weighted average of 1.06%. Whereas, as a beneficiary bank, Paytm Payments Bank had the lowest technical decline rate of 0.01% while others bank had a weighted average of 0.35%.

- *Fixed deposits:* Paytm Payments Bank offers fixed deposits service to its account holders, in collaboration with a partner bank, where users can earn up to 5.5% interest, per annum. Paytm Payments Bank offers real-time management of fixed deposit on the Paytm app, including automatic creation and instant, zero-penalty redemption into the savings account, in partnership with commercial banks. While any amount in excess of ₹200,000 at the end of day, is automatically converted into a fixed deposit, account holders can create fixed deposits on-demand or set their own limit above which a fixed deposit gets created on the end-of-day account balance. These fixed deposits are highly liquid and can be redeemed instantly into the user's Paytm Payments Bank account at the time of making payments . It is an instant, zero-penalty redemption instrument, which allows users to earn higher interest income on their balance while continuing to retain flexibility to spend it when needed.

- *Corporate salary accounts:* Instant account opening and employee management panel for employers. No account opening charges, and complimentary digital debit card for employees.

- *Current accounts:* A no minimum-balance account with benefits such as earning interest on fixed deposit balance (in partnership with commercial banks), no minimum balance requirement, real-time passbook updates, integrated bill payment services, bulk payment mechanism for salary or reimbursement disbursal and more. This product is especially helpful for merchants as this allows them to handle their day to day payments efficiently as there is no limit on the number of transactions or value of per transaction.

- *Domestic Money Transfer:* Domestic money transfers enable customers to remit money to all bank accounts (including their own accounts with other banks) through a network of agents and business correspondents securely. Domestic money transfers are facilitated using Paytm Payments Bank's payment channel which significantly reduces the time and effort required for money transfer, and helps increase scale. This facility is available 24 hours a day seven days a week. Paytm Payments Bank also plans to launch international remittances, directly through the Paytm app and its website.

- *Toll Transit:* Paytm Payments Bank is the largest issuer of FASTags in India, according to RedSeer and as of March 31, 2021, Paytm Payments Bank had issued a cumulative of approximately 9 million FASTags, with a market share of 28%. Being linked seamlessly to the Paytm Wallet, FASTags increase the level of user engagement with the Paytm Wallet. Paytm Payments Bank is also the largest Electronic Toll Collection ("**ETC**") acquirer bank for FASTags, according to RedSeer, having partnered with 270 toll plazas as of March 31, 2021. FASTags employ Radio-frequency Identification ("**RFID**") technology, developed in-house by our Company.

- *Aadhar enabled Payment System ("**AePS**"):* As a part of Paytm Payments Bank's cash to digital solutions drive, it has enabled banking services through AePS. Customers can access basic banking services such as cash withdrawal, balance enquiry and obtain a mini statement through the business correspondent of any AePS enabled banking and financial institution in India.

- *National Automated Clearing House:* Consumers can automate recurring payments such as EMIs, insurance payments, systematic investment plan deductions through e-mandate on National Automated Clearing House, on the Paytm Payments Bank platform. Once the mandate is active, the payment to the service provider will be automated at the desired frequency from the consumer's Paytm Payments Bank account.

Paytm Payments Bank has entered into a partnership with Paytm Money, our wealth management business, to enable payment mandates for initial public offering applications. In March 2021, Paytm Payments Bank received approval for its *@paytm* UPI handle from SEBI to enable fast and seamless payment mandates for initial public offering applications. This will help our users to invest in capital markets through various brokerage platforms directly, using their *@paytm* UPI handle. The ease of making payments seamlessly in a secure manner will help in offering initial public offerings as a wealth product.

Paytm Payments Bank is also a registered Bharat Bill Payment Operating Units in India, both for customer transactions and for processing transactions with more than 50 billers on-boarded on Bharat Bill Payment System across key categories such as utilities and financial services.

As per the current guidelines governing payments banks in India, Paytm Payments Bank would be eligible to apply for a Small Finance Bank license five years after the launch of Payments Bank, i.e. in 2022. Approval to become a Small Finance Bank would allow Paytm Payments Bank to (i) offer small ticket loans, (ii) have no upper limit on bank account balance, and (iii) offer all deposit products such as non-resident Indian accounts and Fixed Deposits directly.

Paytm Payments Bank and Paytm Financial Services Limited (our Group Company), make up the promoter group of Foster Payment Networks Private Limited (a nine-partner company consortium) which has applied to the RBI for authorization of setting up a New Umbrella Entity on March 31, 2021. As per the RBI guidelines, New Umbrella Entities are intended to manage and operate new payment systems, especially in the retail sector such as networks for ATMs, white-label PoS, Aadhar-based payments and remittance services.

Our Relationship with Paytm Payments Bank

Paytm Payments Bank is integrated within the banking and financial services infrastructure including access to clearing houses, ATM network and other banking schemes. While Paytm Payments Bank owns and develops its products, the Paytm app gives users the ability of using, processing and managing Paytm Payments Bank issued instruments. This allows us to offer superior products and services for our consumers and merchants, including products like Paytm UPI, FASTag, digital and physical debit cards and business payments, among others, which could only be provided in this manner by a banking institution, in collaboration with financial partners. We provide payment gateway, distribution and marketing services to Paytm Payments Bank.

Our shareholding in Paytm Payments Bank is governed by a shareholder agreement. All new business arrangements, or changes to existing business arrangements, between our Company and Paytm Payments Bank are done at arm's length basis, and are subject to approval by our audit committee, our board and our shareholders. Our Founder, who owns 51% in Paytm Payments Bank, is not on our audit committee, and recuses himself for voting on these matters at our board and our shareholder meeting. Further, our Company has a call option on the shares of Paytm Payments Bank held by our Founder, subject to various legal considerations, as described in "***History and Certain Corporate Matters***" on page 205.

Lending

We are building a technology-led, financial inclusion platform for consumer and small and medium enterprise financing, to enable our financial institution partners, such as banking institutions and non-banking financial companies, to lend to our consumers and merchants. This platform brings together capabilities of the Paytm ecosystem to serve our customers, merchants and financial services partners.

Given our existing network of 333 million users and over 21 million merchants, we have the unique ability of getting micro-credit access to unserved, underserved and new-to-credit users. We distribute credit products, offered by our financial partners to our consumers on the Paytm app, and to our merchants through the Paytm for Business app.

We partner with multiple financial institutions, banking and non-banking, and enable them to offer multiple lending products to our customers and merchants. We enable our partner financial institutions with technology, insights, understanding of user needs and distribution.

Our full stack technology, transaction and behavior insights, and understanding of end-use of credit, helps us develop risk models that help our financial institution partners improve their underwriting. This allows our partners to develop curated products for different user-profiles and enhance their distribution.

Our platform offers speed, innovation and customization in lending products, as well as, utilizing the placement within the payments flow on the Paytm ecosystem.

- *Distribution* – Fully digitized customer on-boarding with in-built automation tools, and configurable workflows to manage integration with partner institutions, enabling them to access unserved, underserved and new-to-credit users.

- *Insights and Understanding of User Needs* – Instantly configurable scoring engine to develop risk based pricing models catering to new-to-credit and existing credit consumers, and small businesses, for our partner financial institutions. We also utilize automation and data science to identify likely to borrow users.

- *Technology* – Our end to end digital solution, includes the ability to design innovative products, program intelligent alerts and fraud checks. Throughout the loan cycle, we are able to leverage our superior technical capabilities to provide customised loan management on the app.

- *Collection as a service platform* – Engaging consumers through automated communication and reminders for payment on basis of likely to default and early warning machine learning models. We also provide software as a service ("**SaaS**") solution for lenders to digitize the loan lifecycle and enable consumers to pay digitally through Paytm platform.

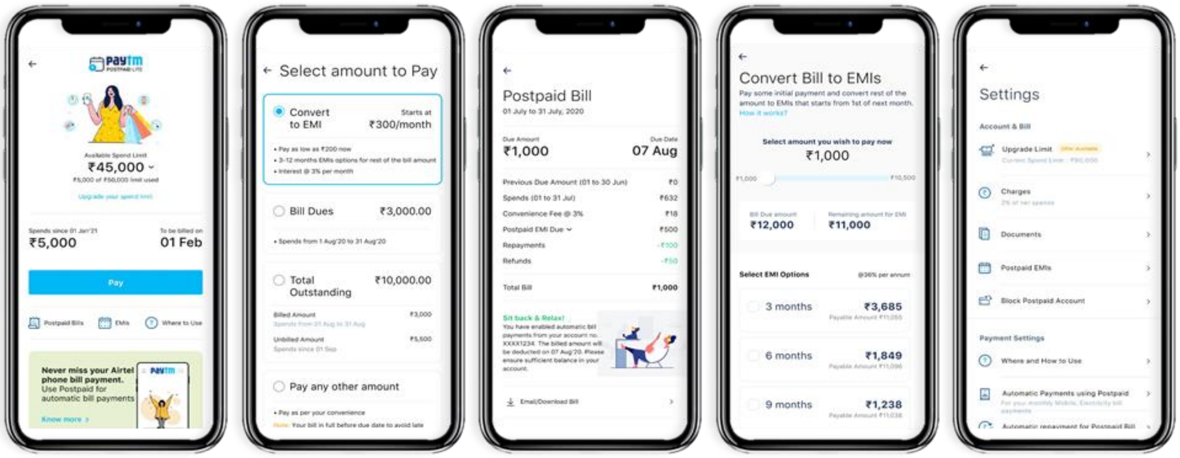
Consumer lending

Within consumer lending, we offer a range of products to our consumers, in collaboration with our financial institution partners:

- *Paytm Postpaid* is a 'buy-now-pay-later' product that provides checkout financing to consumers. Our users can avail a transaction credit facility for a wide range of products and services at more than 0.5 million shops, apps and websites. Users can use Paytm Postpaid on the Paytm app for various bill payments and ticketing use cases, shopping on mini-apps or Paytm Mall, and for payments on other third party apps. Additionally users can use Paytm Postpaid at a large cross-section of retail in India, from daily purchases of groceries, milk, and other home essentials from neighbourhood stores, to high value shopping at popular retail destinations. With 1-click payment and dynamic convenience fee for every user, the product provides a uniquely flexible payment.

  To add another level of flexibility to our users' shopping and payment experience, our Postpaid service also enables them to convert their spending into EMIs (equated monthly instalments), payable alongside nominal interest rates. Multiple payment options like UPI, debit card, and internet banking, are already available to repay a Postpaid bill. Every month, users are provided a single bill to track all their spending through Paytm Postpaid.

  The Paytm Postpaid service has a credit limit of up to ₹60,000 for a maximum of 30 days, offered in partnership with two leading non-banking financial companies in India with an instant credit limit for various payments to Paytm app users.



- *Personal loans:* Through our financial institution partners, users can avail fully-digital cash out loans, especially targeted towards 'new to credit' users, and which can be instantly availed at any time for instant fund requirements and discretionary spends, with a loan size range of ₹10,000 to ₹200,000. We are a technology and distribution partner for various financial institutions, and help them expand the reach and adoption of loan services to salaried individuals, small business owners and professionals. We aim to bring 'new to credit' customers into the formal credit market, and to empower individuals who do not have direct access to traditional banking institutions.

- *Credit cards:* We offer co-branded credit cards (in partnership with leading commercial banks in India) catering to large consumer segments. By leveraging the transaction insights of a user on Paytm platform and digitize the entire credit card experience on the Paytm App, from the application process to tracking and issuance of the credit card. We also offer card management services on the Paytm App, including real-time transaction history, spend analytics, ability to change credit limits by type of transaction, and blocking/unblocking of cards.

Merchant Lending

Our merchant partners can avail credit facilities, offered by our financial partners, under 'merchant cash advances' which are unsecured business loans credit-scored based on the transaction history of the merchant. We distribute such loans through our "Paytm for Business" app. The entire process of availing loans is completely digital so that merchants can apply for a loan within a few minutes on the app, and get instant disbursal. Entire journey from application to approval is completed on the app and based on an agreed policy with the financial institution partner. The systems are designed for real-time approval and disbursement thereby guaranteeing a seamless customer experience. Given the insights through payment services, our financial partners are able to offer bespoke terms to our merchants and also provide easy settlement options through their ordinary course of payments settlement via Paytm.

Insurance and Attachment Products

In collaboration with our insurance partners, we offer, (i) attachment products such as movie and travel ticket cancellation protections based on user engagement on our platform and as a part of the payments flow, and (ii) our subsidiary, Paytm Insurance Broking Private Limited, a registered insurance broker with IRDAI offers an insurance marketplace with products across auto, life and health insurance, where we also provide policy management and claim services for our customers.

As of March 31, 2021, we, together with Paytm Insurance Broking Private Limited, had 11.3 million unique insurance customers and sold 31.5 million cumulative attachment products and insurance policies. Paytm Insurance Broking Private Limited currently has a direct integration with 47 insurance companies in India.

We have the ability to offer data-driven product curation and tech innovations to already on-boarded and qualified participants in our ecosystem. Leveraging our existing banking, wealth management, and credit risk model creation engines, we will be able to bundle insurance products onto existing Paytm use cases, as well as cross-sell other Paytm products to new customers. As Paytm Insurance Broking Private Limited expands beyond an insurance marketplace, using customer insights, we will be able to offer the most appropriate insurance products to our customers

Our associate company, Paytm Insuretech Private Limited (formerly known as QORQL Private Limited) ("**PIT**") has entered into a share sale and purchase agreement dated July 6, 2020 to acquire the entire shareholding of Raheja QBE General Insurance Company Limited. PIT has applied to the Insurance Regulatory and Development Authority of India for its approval on this proposed transaction.

Wealth

We provide wealth management services to our consumers through our subsidiary Paytm Money. We hold licenses from SEBI to be a Registered Investment Advisor ("**RIA**"), an Equity Stock Broker and a Registered Depository Participant ("**DP**"). In addition, we also have an Online Point of Presence ("**PoP**") registration from Pension Fund Regulatory and Development Authority (PFRDA) to allow users to contribute and access National Pension System ("**NPS**") services. We have achieved a combined AUM of Rs. 52 billion in mutual funds, gold and stock broking, as on March 31, 2021. We offer investors various investment options including:

- *Mutual funds:* Paytm Money offers zero commission direct mutual funds to our consumers. Users can compare the features of mutual funds, and also switch between mutual funds and manage their investments. We have over 1.3 million consumers, for direct mutual funds investments as of March 31, 2021.

- *Equity trading*: We offer options to trade and invest in cash equities, futures and options, initial public offerings and exchange traded funds, among others through the Paytm Money app. Our equity investing and trading platform is helping us make active direct equity investing accessible across India, including the underpenetrated segments. By building a simple platform for investors and traders, providing cost effective trading solutions and ensuring reliable and scalable technology, active management of users' wealth has become easier. We are also bringing financial inclusion by educating the masses through our EdTech initiatives such as *Masterclass*. Our recently launched video-based wealth community enables users to attend live video sessions conducted by subject matter experts across an array of wealth topics. As of March 31, 2021, we had 208,000 equity trading accounts.

- *Gold*: Through our partner, we provide a simple, safe and transparent way for our investors to invest in gold though our platforms. Paytm Gold allows consumers to purchase 24-karat pure gold, with quality assurance. The purchase size can start from Re.1 and the gold is stored with our partner in a locker, until the customer wants to sell the gold or take delivery of the physical gold. As of March 31, 2021, we had 74 million investors who have used the digital gold service since its launch in April 2017, with many opting for Gold systematic investment plans as a regular saving option.

PayPay Corporation

PayPay Corporation ("**PayPay**"), incorporated under the laws of Japan in 2018, provides payments and related financial services licensed or registered under the regulations of Japan. As of March 31, 2021, PayPay had over 38 million users and 3.16 million registered locations accepting PayPay. For the year ended March 31, 2021, PayPay processed over 2 billion payment transactions with a value of over 3.2 trillion Japanese Yen.

Our Company and our subsidiary One 97 Communication Singapore Private Limited ("**Paytm Singapore**"), are parties to certain agreements with PayPay, Softbank Corp., Softbank Group Corp. and Yahoo Japan Corporation, under which technology services have been provided to PayPay by us and our subsidiaries, including Paytm Singapore. In lieu of these services, Paytm Singapore has acquired stock acquisition rights, which in aggregate will be convertible into 159,012 common shares in PayPay, at a certain price (which as of March 31, 2021 amounts to 7.2% of PayPay on a fully diluted basis).

Technology and Innovation

Our technology platform is flexible, reliable and scalable and it seamlessly supports merchants as their businesses grow. Our technology is modular allowing maximum re-use.

Within digital payments, the mainstay of our ecosystem, merchants can onboard and integrate different payment options within minutes, all while retaining the ability to provide custom checkout options. Given the large ecosystem of merchants and customers on our platform, we are able to offer rich analytics and insights to merchants. We utilize intelligent algorithms to optimize costs and maximize payment success rates for our merchants. Our payment gateway, fortified with machine learning based risk services, and our IoT technology driven smart devices protect our merchants from fraud.

Beyond payments, our technology stack is built ground up and deeply integrated with the Paytm ecosystem, making it a unique mobile first platform. Our products are deployed on a hybrid cloud infrastructure, offering on demand hardware scaling, reliability and high availability. We believe that this improves our efficiency while unlocking greater scale, thus enabling us to offer better flexibility, mitigate risk, deliver value to our merchants and customers and in personalizing consumer experiences.

Built for Scale and Reliability

Our system is built to handle large scale of transactions, high peak loads, and seamless onboarding of customers and merchants. Our central onboarding engine enables faster launches of new services leveraging a workflow management technology that provides capabilities for end-to-end orchestration to all types of businesses. Our platform is extensible enabling unified integrations with various financial partners and external systems. Thus, we have ability to improve and innovate over the entire technology stack, including the banking and wealth management pipes through our integrations with Paytm Payments Bank and Paytm Money, respectively, through a combination of in-house and third-party technologies. We can expand offerings for our consumers swiftly, and also enable our merchants to extend into other regions and geographies, in a seamless manner.

We use cloud and private data centres in different cities to offer the best-in-class resiliency and reliability to our customers and business partners. We have a disaster ready infrastructure enabling us to switch over in case our primary setups become unavailable.

At peak, we have managed 35,000 transactions per second in our authentication services, and our system is scalable to over 60,000 transactions per second. At Paytm Payments Bank, we have processed close to 1 billion records in the month of March 2021 in the core banking system. Paytm Payments Bank also has the lowest transaction decline rate of 0.01% among all the remitter and beneficiary banks in the country in the UPI ecosystem, according to NPCI, as per RedSeer..

Omni-channel

In our mission of bringing millions of underserved Indians into the digital fold, and provide them technology-driven banking and financial services, we have ensured that access to our solutions remains ubiquitous. Our products and services are platform-agnostic. We offer a single ecosystem for all payment sources, while remaining truly device agnostic. A merchant can accept payments on our IoT enabled devices or through the Paytm Smart POS for Android phones (which converts the smartphone into a device that accepts debit and credit card payments just like a normal POS machine), both seamlessly reconcile and integrate with the merchant account. We also provide open and developer friendly APIs and SDKs for business accounts to support creation of solutions with ease.

Ongoing Innovation

Innovation remains at the forefront of our technology platform, while enabling generic software re-use for pioneering use cases. Our innovative technology such as Scan & Pay QR, online payments, and others have ushered the growth of the digital payments ecosystem in India and has transformed the way India makes payments, manages businesses, or does investments.

We have democratized payments across all in-store and online modes of acceptance. Today, our All-in-One QR and All-in-one PG are the only QR and payment gateways, respectively, which enable merchants to seamlessly accept payments from Paytm Wallet, Paytm UPI, Net Banking, all major credit, debit and prepaid cards and all other UPI apps directly into their bank account, and benefit from a single point reconciliation.

We are incrementally adding more tools and technologies to not only make it easier for merchants to accept payments but also to send money. Our innovative Business Payments solution gives all types of merchants a single, real-time account for all fund flows. This offers several innovative services, such as recurring payments, one-click payments, instant refunds and same-day settlements, and pre-authorization flow that address the needs of both B2B and B2C companies.

We have been the pioneers of technological innovation in in-store payment acceptance in India, through our IoT devices such as Soundbox and Soundbox 2.0. These devices, with instant voice-based confirmations of payments, are playing a pivotal role in establishing digital transactions as a safe and secure mode of payments, enhancing the trust of businesses and consumers to move digitally. Paytm Smart POS for Android phones enables merchants to seamlessly start accepting contactless card payments anytime, anywhere.

Not only have we been able to distribute and / or develop Paytm Payment Instruments but several of the innovative use-cases are services built on top of these ubiquitous instruments. For instance, integration with the Paytm app also ensures a seamless FASTag experience for users. They can be purchased within minutes by only providing the vehicle registration number along with a registration certificate. Paytm Payments Bank customers do not need to maintain any separate FASTag accounts and login credentials, and toll payments are auto-debited from the user's Paytm Wallet.

Mobile First

We are mobile first in building customer and merchant journeys both at the front-end and back-end workflows. This allows us to offer highly scalable services at low costs. Our mobile first cloud centric platform provides access to a wide array of financial services such as lending and wealth management to the Indian consumer, within the same app ecosystem. Given the demographic density of consumers in India, which ranges from a first time adopter to more experienced financial service participants, our technology connects a complex ecosystem in a seamless digital first manner. Ensuring that our ecosystem is end-to-end digital, allows for better consumer journeys, real-time data assessment and better intelligence for provisioning, monitoring and security.

We work with Paytm Payments Bank, to offer technology that makes their products and our integrations fast, reliable, secure, self-serviceable, intuitive and user friendly, such as instant account opening, digital debit card issuance, money transfers, activation, deactivation and all other banking use-cases available to customers on a single mobile app. Paytm Payments Bank offers the only real-time fixed deposit management platform in India, with automatic fixed deposit creation, any-time liquidation and payments through fixed deposit – enabling access to the customer funds for them to spend on various use-case in real-time.

Financial institutions leverage our technology platform with capabilities across the entire loan cycle including origination, developing credit risk models, loan management and collection to provide a seamless credit access to our consumers and merchants. We partner with financial institution partners in improving their distribution, underwriting and collections, and aim to drive the increase of credit in India. The process is totally digital and round the clock. A customer can apply for the loan and get the money in the bank in less than two minutes.

Data-driven Insights and Automation

Our technology led model has the ability to create risk models basis alternate data and develop risk based pricing models. We are able to undertake this configuration instantly, and in real-time, appropriately risk profiling the users. Our technology allows us to offer credit collection. as a service using predictive analytics for likely to default and early warnings, automated communication, credit servicing, and a SaaS solution for lenders to digitize the loan lifecycle.

We have built a modern home-grown platform on top of open technologies and third-party cloud services which processes multiple petabytes of data to enable driven decision making. We have built multiple machine learning and artificial intelligence solutions to simplify user experiences and deliver high-impact insights for merchants and customers.

We implement modern technologies which are used to implement different use-cases of automated fraud detection, real-time access to account statements, spend analytics, unified payment history of all types of payments across Paytm. We also offer near real-time reconciliation, and an analytics dashboard for decision making.

Our Developer-first Approach to Integration

- *Platform plug-in*. Paytm offers payment plugins that are quick and easy to integrate with high traffic e-commerce platforms without writing any code. Our integration with these platforms allows merchants to display customized Paytm promotional messaging, offer Paytm as a payment option at checkout, process Paytm charges in their order management system, and gain access to our analytics dashboard — all without sacrificing control over customer experience.

- *Direct API*. Paytm payment APIs can be used directly by a merchant to integrate into their own infrastructure. This enables merchants to fully control the placement and experience leading to the Paytm Wallet, Paytm Postpaid, credit card, debit card, net banking, and UPI purchase option, as well as the post-purchase experience. Paytm API comes in two variants: one designed for full control across front-end and back-end systems, and a simplified hosted checkout experience designed for quick integrations into complex merchant infrastructure. Our open API enables any app to easily integrate into our ecosystem.

- *Mobile app integration software development kit (SDK)*. Paytm offers web, iOS, and Android integration for merchants to use on orders created from a mobile web browser or application. We provide merchants with a mobile application software development kit, which allows merchants to integrate Paytm into their native mobile applications, enabling them to expand the experiences that they provide to their customers and to more deeply engage their customer base.

- *In-store payments*. We are the pioneer of QR code-based payment method for in-store merchants, being the first company to have launched QR payments for in-store merchants in India in 2015, according to RedSeer. We believe that a QR code is an API of in-store payments to online payments and our QR code solution, which is based on an open architecture, provides the most comprehensive payment acceptance solution to merchants. Merchants can receive payments from Paytm Payment Instruments, other linked bank accounts, as well as card acceptance via POS. Our QR solution is also integrated in smart devices such as Soundbox, allowing merchants to get immediate voice based confirmation of payments. Our new age in-store payment systems offer an opportunity for merchants to integrate customer loyalty, gift vouchers and buy-now-pay-later solutions and business offerings. We also provide solutions for purchasing online, and pick-up or return in store, providing convenience and flexibility to customers and merchants to match evolving shopping habits.

Fraud management, Data Protection and Privacy

Our platform incorporates multiple layers of protection for business continuity and system redundancy purposes and to help address cybersecurity risks. We have comprehensive cybersecurity policies designed to protect our technology infrastructure and products against these challenges, including regularly testing our systems to identify and address potential vulnerabilities. We strive to continually improve our technology infrastructure and product offerings to enhance the customer experience and to increase efficiency, scalability, and security at a rapid pace.

We use our risk management system and technology based on data analytics and machine learning to further develop best-in class automated fraud detection during transaction processing. Encrypted data transmission using security protocols and algorithms ensures confidentiality and integrity and prevents intrusion and leakage of confidential customer data. Our software and cloud infra is scanned for security vulnerabilities regularly. We perform penetration tests using internal and external scans, perform static and dynamic security testing along with infra vulnerability assessments. We also have 24x7 real time monitoring of all services.

Our data is completely classified and we govern access to information through stringent and strict protocols, on an absolute need to know basis. Approval of access to such data, which is encrypted, requires multiple levels of approvals from the head of the respective business unit, Chief Information Security Officer, and CTO. Privileges and data access protocols are periodically re-assessed and re-defined, and at times, verified via third party risk assessments.

Making it count: Supporting Our Community

In our mission to bring half a billion Indians into the mainstream economy, we are governed by our values of serving the community, and maintaining trust while moving fast, responsibly. In 2000, we started as a business working with telecom operators and enterprises, with reliance on working capital. This has guided our journey, and why we focus on underserved and unserved. Not only do we solve for our merchants receiving digital payments via various sources, and in turn, engaging more users, but also receive seamless access to micro-credit, business payment solutions and wealth management, safely.

Financial Inclusion

We, at Paytm, firmly believe that technology when combined with a positive intent can create a huge impact. We are constantly working on innovative solutions that can make everyday life simpler: full-stack digital banking to underserved Indians, institutional financial services such as loans and bookkeeping and invoicing to micro, small and medium enterprises, and democratizing access to the formal credit and wealth management system.

We led India's QR and mobile payments revolution, empowering the grassroots of the country with robust digital payment solutions. QR has allowed small merchants to start accepting payments with no internet, and no investment in a point of sale device. Continuing with our commitment towards driving financial inclusion, we have launched a series of smart devices to accelerate India's digital payment penetration. Paytm Soundbox ensures our country's small shopkeepers never miss a digital payment and confidently complete transactions. The All-in-One POS, All-in-One QR, Dynamic QR, Paytm for Business App, among others are helping MSMEs from smaller cities and towns to join the Digital India movement.

We have often assisted institutions in research study. In 2020, the International Monetary Fund, in its assessment of how mobile money impacts economic outcomes in India, utilized insights on transactions from Paytm. We have also worked with academic institutions in assessing digital payments in India.

Engaging Users on Social Causes

Paytm is one of India's largest digital platform, according to RedSeer, and we take pride in being able to mobilize our ecosystem participants in times of social and disaster relief. At the time of any major disaster, we aim to raise social awareness and raise contributions from our users to aid the Central and State governments, as well as independent local bodies. We enable our consumers and merchants to make online payments to their preferred non-governmental organization or any other platform, through our platforms. Consumers can select from more than 60 non-governmental organizations listed on the Paytm App. We have worked with Kailash Satyarthi Children's Foundation in spreading awareness about, and mobilizing against, child labour.

COVID-19 Response

The COVID-19 pandemic has disrupted the way we lead our lives. As an organized response to COVID-19, and to be prepared to serve our nation in the future, we have set up the Paytm Foundation. Paytm Foundation is a Public Charitable Trust in India formed exclusively for philanthropic purposes in the areas of providing relief in times of natural calamities and disasters, supplementing need-based medical infrastructure, welfare of persons with disabilities, education and financial literacy, and advancement of general public utilities.

When the Government of India launched the *PM-CARES* fund to collect contributions for its COVID-19 efforts, we joined the noble cause with support from our consumers and merchants. We launched the *India Fights Corona* campaign to help prevent, and manage the spread of, COVID-19 in communities with the greatest need, by allowing users to donate for distribution of hygiene products among vulnerable sections of the society.

As a company, we have introduced several initiatives to help and support our community. A special task force with employees stepped up across the country, to coordinate COVID-19 assistance in different cities in India. We have also led a large-scale relief effort for the nation, by launching an *OxygenforLife* crowdfunding initiative for sourcing oxygen concentrators for donating to government hospitals, foundations and non-governmental organizations.

As a part of long-term relief measures, we are installing oxygen plants, which will help produce medical oxygen from ambient air while simultaneously supplying the gas to multiple beds. To ensure safety of front-line workers, we have contributed essentials like face masks and hygiene products across India. We partnered to deliver hygienic food to frontline workers in Mumbai. Under the *Feed My City* initiative, we are providing food to daily wage earners in Noida, Mumbai, Bengaluru, Hyderabad and Chennai.

We introduced a dedicated section on our app, with a COVID-19 self-assessment scanning tool, which utilizes contract tracing to identify if one is potentially at risk of suffering from the virus. We have also leveraged our access to consumers and distribution, to help users find and book slots for COVID-19 vaccination, via a Vaccine Finder feature launched on our app. We also launched a dedicated COVID-19 insurance cover to protect against loss of pay, quarantine expenses and treatment costs.

International forums for Sustainability

We proudly represent our country on international forums working for sustainability. Since December 2017, our Founder, Vijay Shekhar Sharma, has been the United Nations Environment Programme's ("**UNEP**") Patron for Clean Air, and helps drive greater environmental action and awareness to advocate for UNEP's global #BreatheLife campaign – a major initiative on air quality seeking to influence policy and citizen action for a healthy future. Our Founder is also on the Advisory Board of the Green Digital Finance Alliance. The Alliance was set up by Ant Financial Services and UNEP to address the potential for digital finance and fintech-powered business innovations to reshape the financial system in ways that better align it with the needs of sustainable development.

Our Brand and its Usage

Our brand came about as an intention to make payments using mobile easy and simple, and was originally conceived as an abbreviated version of "***P***ay ***T***hrough ***M***obile". Paytm is now synonymous with mobile payments in India. Our Company owns the brand and trademark 'PAYTM', along with several other extensions and variations of the same. We use our brand for products created by us such as Paytm All-in-one Payment Gateway, Paytm Gold, and Paytm All-in-one QR, among others.

Our Company has entered into various IP license agreements with its subsidiaries and associate companies, including but not limited to Paytm Payments Bank Limited, Paytm Money Limited and Paytm Insurance Broking Private Limited. These IP license agreements regulate the terms and conditions of usage of our licensed brand and trademarks by our subsidiaries and group companies for their respective business purposes and for their products. For instance, Paytm Payments Bank has issued the Paytm Wallet and Paytm UPI.

Our Company has entered into a Business Cooperation Agreement with Paytm E-commerce Private Limited for provision of services through our platform and such arrangement also includes a license to use our brand 'PAYTM'.

We have entered into commercial arrangements with third parties (like technology companies, banks, lending partners, service providers, and merchants) wherein we have extended a limited license to use our registered trademarks on a non-exclusive and non-transferrable basis solely in connection with the underlying commercial activity. For instance, we have issued products in collaboration with our partners, such as Paytm Postpaid and co-branded Paytm Credit Card.

For further information, refer to Intellectual property related approvals under the "***Government and Other Approvals***" on page 414.

Merchants and Consumers

Our merchants primarily include online and in-store merchants, for our payment services and commerce and cloud services, and financial services. Our merchants include organized and unorganized in-store merchants, government entities, utilities, and online merchants. Merchants can sign-up through the Paytm app or website, Paytm for Business app or website or be signed up in-store by Paytm's distribution team. Merchants typically provide KYC documents, bank details, and other documents depending on their profile and services being availed. As of March 31, 2019, 2020 and 2021, we had 11.2, 16.3 and 21.1 million merchants on our platform.

As of March 31, 2021, we had 114.3 million annual transacting users using our platform. Consumers can sign up for our services by creating an account on our platform. Consumer experience and satisfaction have always been deeply rooted in our mission and we are committed to delivering an exceptional level of service to our consumers. Our dedicated team of consumer service associates and contracted consumer service staff provide 24/7 support through email, telephone, chat and social media. We also offer self-service tools to solve our consumers' problems more efficiently.

Risk Management and Internal Control

Risk Management Framework

Our risk management framework is designed to conform to the governance standards set by our Audit Committee. Our risk management framework is based on the recommended three lines for risk management issued by the Institute of Internal Auditors. Our risk management framework includes the following:

- Line 1: The first line comprises all employees engaged in the revenue generating, business operations, all associated support functions including finance, technology, human resources, administration etc. Employees in the first line have primary responsibility for their risk, including (i) identifying and managing all the risks (including fraud risk) in their respective business / operation activities, develop appropriate policies & procedures and controls to govern their activities; and (ii) escalate risk issues to senior management, compliance and audit functions.

- Line 2: We have a comprehensive second line of defense called "Operations Risk" team, they work on robust and dynamic real time transaction monitoring mechanism via an automated rule engine already in place. This engine functions basis predefined set of rules. Our Operations Risk team comprises Risk Experts and Data Scientists who evaluate and monitor merchant transaction and market trends to raise alerts which are further actioned to mitigate risk as per the alert monitoring protocols.

- Line 3: Employees of Internal Audit function comprise the third line of defence. Internal Audit function provides independent assurance to the Board and Audit Committee over the effectiveness of governance, risk management, and control over applicable risks (including Fraud risk). IA team partners with reputed audit firms to ensure audit plan coverage meets industry wide benchmarking and best auditing standards are followed.

Partner Financial Institutions Risk Management

We have established comprehensive systems and policies to manage risks together with our partner financial institutions. Through a combination of automated systems and manual checks, our Financial Institutions Risk Management Team monitors our collaboration with partner financial institutions to ensure our partners maintain effective service levels.

Prior to forming a business relationship, we assess the financial institution's suitability across a range of objective metrics. Once a business relationship is formed, we establish risk measures specific to the nature of each respective business relationship, which we then monitor on an ongoing basis. We also evaluate the potential impact of external factors and events.

In addition to ongoing monitoring, we conduct annual reviews on all of our partner financial institutions and adjust our risk management policies based on external factors and market developments.

Anti-money Laundering and Counter-terrorism Financing Risk Management

To ensure our day-to-day operations comply with applicable anti-money laundering regulations in jurisdictions where we operate, we have put in place on-boarding and risk management practices which are being enhanced to build comprehensive anti-money laundering policies and procedures.

The proposed anti-money laundering policies define the roles of the enterprise risk management team, internal audit team and business units and functional departments in managing risks related to anti-money laundering, terrorism financing, financial crimes and sanctions compliance. Based on these policies, specific anti-money laundering procedures are being enhanced, such as "know your customer" procedures, transaction monitoring and also put in place procedures for reporting of suspicious transactions, and record retention. To ensure our employees are kept up-to-date with regulatory updates and our anti-money laundering policies and procedures, we intend to provide regular training to our employees who have anti-money laundering responsibilities.

Investments and Acquisitions Risk Management

We invest in or acquire businesses that are strategically complementary to our business and aligned with our own growth strategies. We have established a dedicated team of professionals for our investments and acquisitions. These teams collaborate on investment projects and perform their respective functions, including deal sourcing, negotiations, due diligence and identification of potential risks, valuation, making investment recommendations and carrying out post investment management. Final investment decisions are subject to approval from our Board and Shareholders as necessary in accordance with our Articles of Association and internal policies.

Sales and Marketing

We believe the reputation and ubiquitous awareness of our brand and platform in India provide us with -efficient marketing channels. In addition, we also use other marketing initiatives to promote our platform and service offerings, such as cash-back offers. We also employ paid marketing efforts to attract new and retain existing consumers, sometimes in collaboration with our merchant partners. Our online and in-store marketing channels include search engine marketing, social media, mainstream media like television and radio, event sponsorships and out-of-home display advertising.

We design our sales and marketing activities to expand coverage of consumers and merchants and strengthen consumer mindshare, engagement, service expansion and lifetime value by promoting multiple services. We also undertake joint promotion efforts with our partners and others in our ecosystem to help them effectively reach and engage with their customers by leveraging our insights, leading technologies, innovative services and operating experiences. This attracts additional participants and increases engagement in our ecosystem, while creating mutual benefits and enhancing the efficiency of our own sales and marketing activities. Promotional activities include various types of coupons, rewards, Paytm First points which can be redeemed at different merchants and commerce use-cases on the Paytm app, or other benefits and incentives.

Our Employees

Over FY 2021, we had average of 8,623 on-roll employees worldwide. We also engage contractors to provide us temporary workforce. None of our employees are represented by a labour union. We have not experienced any work stoppages since our incorporation.

The following table provides a breakdown of our average employee base by function for the years indicated.

	FY								
	2019			2020			2021		
Function	**On-roll**	**Off-roll**	**Total**	**On-roll**	**Off-roll**	**Total**	**On-roll**	**Off-roll**	**Total**
Sales and Business Development	1,797	7,746	9,544	2,073	5,852	7,925	3,989	1,065	5,054
Engineering, technology and Product	1,759		1,759	2,317		2,317	2,550		2,550
Operations	1,054	876	1,930	1,047	488	1,535	1,575	167	1,742
Enabling and Corporate functions	389	9	398	467	11	478	509	10	520
Total	**4,999**	**8,632**	**13,631**	**5,904**	**6,352**	**12,256**	**8,623**	**1,242**	**9,865**

We offer in-house and external training to employees at all levels in accordance with their functions, positions and responsibilities. The training curriculum is designed by our central functions, and covers both soft skills and technical skills.

Intellectual Property

Intellectual property rights are important to our business, and we devote significant time and resources to their development and protection. We rely on a combination of trademark and domain name protection in India and other jurisdictions in which we operate, as well as confidentiality procedures and contractual provisions to protect our intellectual property.

Our Company has registered the "PAYTM" trademark under classes 4, 5, 6, 7, 23, 24, 25, 29, 30 and 31, among others, with the Registrar of Trademarks under the Trademarks Act, 1999. We have also registered various other trademarks under different classes, including "Paytm Payments Bank", "PAYTM KARO" and "PAYTM MONEY. Further, our Company has registered the "Paytm" trademark in the European Union and the United Arab Emirates with the relevant trademark registration authorities in such jurisdictions. For details, see "***Government and Other Approvals – Intellectual property related approvals***" on page 403.

In addition, various applications for registration of trademarks that have been filed by us in India are pending, and certain applications for registration of trademarks are also pending in the United States.

Property

Our Registered Office is situated on a leased premises at First Floor, Devika Towers, Nehru Place, New Delhi 110 019, India, , which is valid until March 14, 2024. Additionally, the lease for our Corporate Office is valid until September 30, 2026. We operate entirely out of leased premises, and do not own the underlying property for any of our offices in India, including our Registered Office and Corporate Office. Further, we have entered into a lease agreement dated June 27, 2018 with the New Okhla Industrial Development Authority pursuant to an order of allotment dated March 21, 2018 for grant of lease for land admeasuring 40,000 square metres in Sector 159, Noida, Uttar Pradesh. Typically, we enter into short term and medium term lease arrangements for our various office spaces and are leases which are subject to lock-in for a certain duration over the respective term of such lease. We are required to pay a security deposit, specified monthly rentals and common area maintenance charges for the duration of the relevant agreement, subject to periodic escalations at agreed rates.

Insurance

We maintain insurance coverage under various insurance policies for, among other things, our properties, employees, key man insurance, directors' and officers' liability, as may be required. We also maintain insurance policies for, among others, common general liability, cyber security, marine cargo, personal accidents and group health covering our employees. We believe that the level of insurance we maintain is appropriate for the risks related to our business.

Data Protection and Privacy

As our business depends on the trust in us and our platform, we are committed to protecting our customers' personal data.

Our data protection and privacy policies are aimed at: (i) our collection of personal data is conducted in accordance with applicable laws and regulations, (ii) personal data we collect are reasonable for the purposes for which they are collected and (iii) our merchants and consumers are informed of the purposes for which their personal data are collected and used.

We maintain strict control over access to personal data and do not permit unauthorized uses. We limit any access based on necessity and maintain records. Our privacy policy details out the manner of usage and processing of personal data for our products and services. We store personal data in accordance with applicable laws and regulations.

We use various encryption technologies at software and hardware levels to protect the transmission and storage of personal data. We conduct periodic testing and assessment to determine the efficiency of our data processing and management technologies. We also use anti-malware, endpoint protection, network protection, security monitoring and application and platform security tools to protect data privacy. To minimize the risk of data loss or leakage, we maintain contingency, redundancy and conduct regular data backup and data recovery tests. To further strengthen the protection of our data, we leverage our technology infrastructure, and cybersecurity expertise. We use these technologies to enhance the reliability, stability and security of our database.

KEY REGULATIONS AND POLICIES IN INDIA

*Given below is a summary of certain key sector-specific laws and regulations in India, which are applicable to our Company and its Subsidiaries. Further, certain key laws and regulations relating to our Group Company, Paytm Payments Bank Limited have also been included. The information detailed in this chapter has been obtained from various statutes, rules, regulations and/or local legislations that are available in the public domain. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For further details in relation to our material approvals, see "**Government and Other Approvals**" on page 414.*

I. Industry specific regulations

We, including our associates, joint ventures and investee companies, are subject to various industry specific laws and regulations in India arising from our business and operations, including our payment aggregator and gateway services, banking and wallet business, securities related business and insurance broking business. These laws and regulations subject our operations to the supervision and regulation of various regulatory authorities including the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), the Insurance Regulatory and Development Authority of India ("**IRDAI**"), and the Department of Telecommunications (under the Ministry of Communications and Information Technology, Government of India) ("**DoT**").

Dealing with regulatory authorities has, in our view, encouraged us to achieve a state where we meet all applicable requirements to the fullest extent, as required by these authorities. The discipline of conducting myriad regulated businesses has inculcated in us a deep understanding of the regulatory climate and has encouraged us to imbibe a culture of compliance. We invest tremendous effort and time on compliance, especially given that the compliance landscape is continuously evolving. For details, see "***Risk Factors – We may be adversely affected by the evolving laws and regulation governing our business and the introduction of any new laws and regulation which may become applicable to our business.”*** on page 45.

We believe that the benefit of running regulated and compliant businesses is that it offers our customers, consumers, stakeholders, and investors alike, a sense of comfort and enhances their trust in us. Risk mitigation is the other core outcome of regulatory compliance. Multiple departments are required to undertake appropriately tracked and documented activities, and are also required to maintain cross-departmental consistency and risk assessment in accordance with our risk management framework and related policies. This ensures risk mitigation as well as clearly articulated tolerance for any identified risk. For details, see "***Our Business - Risk Management and Internal Control***" on page 193.

The key industry specific regulations applicable to our operations are set forth below:

Payment aggregator and gateway services

The Company currently provides payment aggregator and gateway services in accordance with the Directions for opening and operation of Accounts and settlement of payments for electronic payment transactions involving intermediaries dated November 24, 2009, issued by the RBI ("**Intermediary Guidelines**").

Recently, the RBI has issued the Guidelines on Regulation of Payment Aggregators and Payment Gateways, 2020, as amended ("**Payment Aggregators Guidelines**"), requiring existing non-bank payment aggregators to apply for an authorisation from the RBI on or before December 31, 2021. In accordance with the Payment Aggregators Guidelines, to separate the payment aggregator services from the services provided by our Company, we have incorporated a wholly-owned subsidiary, Paytm Payments Services Limited, which has applied to the RBI for an authorization on January 8, 2021. Under the Payment Aggregators Guidelines, Paytm Payments Services Limited is required to maintain a net worth of ₹ 150 million at the time of application and attain and subsequently maintain a net worth of ₹ 250 million by the end of the third financial year of grant of authorization.

On obtaining such authorization from the RBI, Paytm Payments Services Limited will be subject to, among several other acts and regulations, the requirements of the Payment Aggregators Guidelines in relation to, amongst other things, merchant on-boarding, compliance with the KYC guidelines prescribed by the RBI, customer grievance redressal and merchant dispute management, data security, baseline technology standards and risk management.

Under the prescribed merchant on-boarding policy, Paytm Payments Services Limited would be required to verify the identities of the merchants and conduct background and antecedent checks, e conduct compliance checks of their infrastructure against required standards, enter into an agreement with each merchant containing provisions for security and privacy of customer data as per the Payment Aggregator Guidelines and undertake reporting of suspicious transaction/behaviour to the Financial Intelligence Unit-India.

Banking and wallet business and related activities

Paytm Payments Bank Limited ("**Paytm Payments Bank**"), has obtained a license from the RBI for "payments bank" business in India, which subjects Paytm Payments Bank to various approval, intimation and reporting requirements of the RBI as prescribed under the license obtained by it, the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**") and various regulatory notifications and guidelines issued by the RBI from time to time. The Banking Regulation Act regulates the functioning of banks in India and governs various aspects such as their licensing, management, and operations and confers various powers on the RBI including:

i) to supersede (in consultation with the Central Government) the board of directors of a banking company for a period not exceeding a total of 12 months, in public interest or for preventing the affairs of the bank from being conducted in a manner detrimental to the interest of the depositors or for securing the proper management of any banking company;

ii) to apply to the Central Government for an order of moratorium in respect of any banking company and consequently subjecting such banking company to several restrictions in relation to its operations during the period of moratorium; and

iii) to approve, amongst others, appointment of the auditors of a bank, opening new branches, in or outside India or changing the existing place of such business, other than a change of existing place within the same city, town or village and appointment, re-appointment, or termination of the appointment of a chairman, managing director or whole-time director, manager, chief executive officer of a bank.

When a bank fails to or omits to comply with the provisions of the Banking Regulation Act or with any order, rule or direction made or condition imposed thereunder or knowingly makes a statement which is false in any material particular or wilfully omits to make a material statement, the RBI may impose fine within prescribed limits on the respective bank and its officers or punish the concerned director or employee with imprisonment for the prescribed term. Further, the RBI has the power to cancel the license if a bank fails to meet the prescribed conditions or if the bank ceases to carry on banking operations in India.

Under the Ownership in Private Sector Banks Directions, 2016, no shareholder of a payments bank can exercise more than 26% of the total voting rights of the payments bank, irrespective of his shareholding. Further, under the Prior Approval for Acquisition of Shares or Voting Rights in Private Sector Banks Directions, 2015, any acquisition of shares or voting rights in a payments bank which results in aggregate shareholding or voting rights in excess of 5% in case of a new shareholder, whether directly or through his relatives, associate enterprises and persons acting in concert with him, or an increase of 10% in case of an existing shareholder, would require prior approval from the RBI.

Paytm Payments Bank is also subject to the Guidelines for Licensing of Payments Banks, 2014 and the Guidelines for Operating of Payments Banks, 2016, each issued by RBI. The following is an indicative list of these guidelines, as applicable to Paytm Payments Bank:

i) *Capital requirement and promoters' contribution*: A payments bank is required to maintain a paid-up equity capital of ₹ 1000 million, 40% of which has to be initially held by its promoters for the first five years with no limit as to their maximum shareholding. When a payments bank attains the net worth of ₹5000 million, diversified ownership and listing will be mandatory within three years of reaching that net worth.

ii) *Scope of activities***:** A payments bank can undertake restricted activities, such as:

- Acceptance of demand deposits, i.e., current deposits and savings banks deposits which are restricted to a maximum balance of ₹ 0.20 million at the end of the day per individual customer. The end of day limit was recently enhanced to ₹ 0.20 million from ₹ 0.10 million with effect from April 8, 2021 by the RBI with the objective of giving more flexibility to payments banks;

- Issuance of ATM and debit Cards, but not credit cards;
- Payments and remittance services through branches, ATMs, business correspondents and mobile banking;
- Issuance of prepaid payment instruments, or PPIs;
- Internet banking;
- Handle cross border remittance transactions such as personal payments/remittances on the current account, enabled upon RBI approval;
- Undertake other non-risk sharing simple financial services activities not requiring any commitment of their own funds, such as distribution of mutual fund units, insurance products, pension products, etc. with the prior approval of the RBI and after complying with the requirements of the sectoral regulator for such products; and
- Utility bill payments.

iii) *Deployment of funds*: A payments bank cannot undertake lending activities. Apart from amounts maintained as cash reserve ratio, or CRR, with the RBI on its outside demand and time liabilities, it will be required to invest minimum 75% of its 'demand deposit balances' in eligible government securities and hold maximum 25% in current and fixed deposits with other scheduled commercial banks for operational purposes and liquidity management.

iv) *Prudential regulation*: The prudential regulatory framework for a payments bank will be largely drawn from the Basel standards. The capital adequacy framework prescribes, amongst other things, a minimum capital requirement of 15% of its risk weighted assets (RWA).

The Guidelines for 'on tap' Licensing of Small Finance Banks in the Private Sector, 2019 issued by the RBI permit, among others, existing payments banks with a successful track record of at least a period of five years, to apply for conversion into small finance banks ("**SFBs**") subject to the conditions prescribed by these guidelines and after complying with applicable law. Recently, the report dated November 20, 2020 submitted by an internal working group of the RBI suggested that a successful track record of three years may be considered sufficient for such conversion. Accordingly, Paytm Payments Bank, may consider applying for conversion to a SFB on completion of the required time period, subject fulfilment of the prescribed conditions and applicable law. If successful, Paytm Payments Bank will be able to undertake additional banking activities including lending.

For its wallet business, Paytm Payments Bank has obtained approval from RBI for issuance of prepaid instruments ("**PPIs**") in India, in accordance with the Guidelines for Licensing of Payments Banks, 2014 and other requirements under the Reserve Bank of India (Issuance and Operation of Prepaid Payment Instruments) Directions, 2017 ("**PPI Directions**"). The PPI Directions provide for issuance of two types of PPIs, being semi-closed system PPIs and open system PPIs. Paytm Payments Bank issues semi-closed system PPIs, which are defined as PPIs that can be issued by both bank and non-bank entities for purchase of goods and services, including financial services, remittance facilities, etc., from clearly identified merchants having a specific contract with the issuer or through a payment aggregator or gateway but do not permit cash withdrawal. Further, Paytm Payments Bank can permit an outstanding amount of ₹ 0.20 million per customer as demand deposits, i.e., current deposits and savings bank deposits together with the outstanding amount in the wallet on completion of the customer's KYC.

PPI issuers are permitted to issue reloadable or non-reloadable PPIs in accordance with a clearly laid down policy, duly approved by their board, for issuance of various types/ categories of PPIs and all activities related thereto. The PPIs may be issued as cards, wallets, and any such instrument which can be used to access the PPI and to use the amount therein. However, the PPI Directions disallow issuance of PPIs in the form of paper vouchers from the date of these directions except for meal paper vouchers, in relation to which the PPI Directions prescribe a separate timeline. PPIs are permitted to be loaded and reloaded by cash, by debit to a bank account, by credit and debit cards, and other PPIs (as permitted from time to time). The electronic loading/ reloading shall be in INR only. The PPI directions further regulate the operation of PPIs in India by governing aspects such as cross-border outward transactions and inward remittances through PPIs and prescribing transactional limits for each category of PPI. Paytm Payments Bank has adopted a policy on issuance of PPIs, an information security policy for mitigation of security and fraud risks and a customer protection and grievance redressal policy for addressing customer complaints and limiting the liability of customers in unauthorised transactions, as prescribed by the PPI Directions.

Paytm Payments Bank also holds a license issued by the RBI to act as an 'Authorized Dealer- Category II'("**AD-C-II**") under the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations thereunder, ("**FEMA**"), including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended. As an AD-C-II, Paytm Payments Bank can undertake eligible foreign exchange transactions permitted under the license in accordance with FEMA. Recently, Paytm Payments Bank was granted Money Transfer Service Scheme Licenses by the RBI in association with three overseas principles and can undertake inward cross-border money transfer activities in India through tie up arrangements with these overseas principals. Under the Master Direction-Money Transfer Service Scheme, 2017, only cross-border personal remittances, such as, remittances towards family maintenance are allowed up to a limit of USD 2,500 for each individual remittance.

Further, Paytm Payments Bank has obtained an approval from the RBI for offering mobile banking services with flexible channels of registration for customers in accordance with the Master Circular - Mobile Banking Transactions in India- Operative Guidelines for Banks, 2016**.** These guidelines require Paytm Payments Bank to, among other things, maintain a robust clearing and settlement infrastructure operating on a 24x7 basis and follow security standards appropriate to the complexity of services offered, subject to following the minimum standards set out in these guidelines.

As on the date of this Draft Red Herring Prospectus, Paytm Payments Bank has received in-principle approval to operate as a Bharat Bill Payment Operating Unit from the RBI, for providing interoperable bill payment services to customers. In relation to such approval, Paytm Payments Bank is required to maintain a net worth of ₹ 1,000 million and comply with the standards prescribed under the Guidelines for Implementation of Bharat Bill Payment System, 2014, issued by RBI. Further, Paytm Payments Bank is a member of the United Payments Interface or UPI, the Bharat Interface for Money, Immediate Payment Service, and other interoperable payments solution platforms offered by the National Payments Corporation of India ("**NPCI**"). Accordingly, Paytm Payments Bank is required to comply with the procedural guidelines and operating circulars issued by the NPCI from time to time. Additionally, the Prepaid Payments Instruments ("**PPIs**") – Guidelines for Interoperability, 2018, issued by the RBI provides that PPI issuers should implement interoperability amongst PPIs (issued by both bank and non-bank entities) on a voluntary basis in accordance with the first phase of enabling interoperability for PPIs, as laid down in the PPI Directions. Recently, by way of a notification dated May 19, 2021, the RBI has made it mandatory for PPI issuers to make all KYC-compliant PPIs issued in the form of wallets interoperable amongst themselves through UPI by March 31, 2022.

Further, under the Master Direction – Know Your Customer (KYC) Direction, 2016, as amended, we are required to adopt a KYC policy which has four elements, namely, customer acceptance policy, risk management policy, customer identification procedures, and monitoring of transactions. The entity shall ensure compliance with the KYC policy through specification of who constitutes 'senior management' for the purpose of KYC compliance, allocation of responsibility for effective implementation of policies and procedures, independent evaluation of policies in place, an internal audit system, and submission of quarterly audit and compliance to the audit committee. By virtue of the Guidelines for Operating of Payments Banks, 2016 and PPI Directions, these directions are applicable to all payments banks and PPI issuers, respectively and Paytm Payments Bank has accordingly adopted a KYC policy, as prescribed. Further, every regulated entity is required to upload their customers' KYC records onto Central Registry of Securitisation Asset Reconstruction and Security Interest of India ("**CERSAI**") within ten days of commencement of an account-based relationship with such customers. The regulated entities (other than scheduled commercial banks) were required to start uploading the KYC records pertaining to all new individual accounts opened on or after from April 1, 2017 and all legal entity accounts opened on or after from April 1, 2021. Such customers are allotted a KYC identifier by CERSAI which can be submitted by the customer for establishing an account with any regulated entity and the customer shall typically not be required to submit the same KYC records or information.

In addition to the above, Paytm Payments Bank is regulated by various other laws and regulations including the Payment and Settlement Act, 2007, Prevention of Money Laundering Act, 2005, Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and several directions, guidelines and circulars issued by the RBI from time to time.

Securities related business

Our wholly-owned subsidiary, Paytm Money Limited ("**Paytm Money**"), has obtained a certificate of registration from SEBI under the SEBI (Stock Brokers) Regulations, 1992, as amended ("**Stock Brokers Regulations**") to act a stock broker for carrying on the activities of buying, selling or dealing in securities in India. These regulations also prescribe a code of conduct which every registered stock broker is required to abide by. SEBI has the authority to inspect the books of accounts, other records and documents of stock brokers and in case of any failure to comply with the applicable regulations, including the Stock Brokers Regulations, SEBI may impose a monetary penalty or suspend Paytm Money's registration. In relation to acting as a stock broker, Paytm Money is admitted and registered as a trading and self-clearing member in various segments with the stock exchanges subjecting it to the rules, regulations and bye-laws of these stock exchanges. Pursuant to the existing memberships held by Paytm Money, it is currently required to maintain a minimum net worth of ₹ 50 million, independent of any other applicable net worth requirements as may be prescribed under other applicable laws.

Additionally, as a depository participant of the Central Depository Services Limited, Paytm Money is also subject to the requirements of the SEBI (Depositories and Participants) Regulations, 1996 and the code of conduct prescribed by these regulations pursuant to its certificate of registration to act as a depository participant and its registration as a depository participant of the Central Depository Services Limited.

Paytm Money has also obtained a certificate of registration from SEBI under the SEBI Investment Advisers Regulations, 2013 to act as an investment adviser. These regulations require, amongst others, Paytm Money to maintain a net worth of ₹ 5 million, after taking into account the net worth requirements prescribed for the other services offered by it and ensure an arms-length relationship between its investment advisory activities and other activities, such as the stock broking. Paytm Money decided to temporarily suspend advisory services with effect from March 31, 2021 and the same was informed to SEBI vide letter dated February 19, 2021.

Insurance broking business

Our wholly-owned subsidiary, Paytm Insurance Broking Private Limited ("**Paytm Insurance Broking**"), has obtained a certificate of registration from IRDAI to act as a direct insurance broker, which is valid for three years from February 17, 2020. Under the IRDAI (Insurance Brokers) Regulations, 2018 ("**Insurance Brokers Regulations**"), Paytm Insurance Broking is subject to various approval, intimation and reporting requirements prescribed by the IRDAI and is required to maintain a paid-up capital of ₹ 7.5 million and net worth of ₹ 5 million. Paytm Insurance Broking has adopted a policy on the manner of soliciting insurance policies, as prescribed the IRDAI, in relation to having multiple tie-ups, type of products sold, mode of solicitation, grievance redressal mechanism and reporting requirements. The IRDAI may impose a monetary penalty or suspend or cancel Paytm Insurance Broking's registration for any failure to comply with these regulations. The IRDAI (Insurance Intermediaries) (Amendment) Regulations, 2019, provides that any insurance intermediary that has a majority shareholding of foreign investors, such as Paytm Insurance Broking, are required to take prior permission of the IRDAI for repatriating dividend and is restricted from making payments (other than dividends) to its related parties beyond 10% of its total expenses in a financial year. Further, the guidelines issued by IRDAI in this regard, amongst other things, provides that the dividend payout ratio in a year shall not exceed 75% of the net profit.

The Insurance Brokers Regulations permit an insurance broker to receive fees for undertaking any of the permitted services provided to the client including claims consultancy, risk management service or other similar services which is not a percentage of premium or claim amount. Further, the IRDAI (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations, 2016 lay down provisions for rewards for insurance intermediaries whose revenues from activities other than insurance intermediation does not exceed 50% of their total revenues, such as Paytm Insurance Broking.

Paytm Insurance Broking has also registered its electronic platform with the IRDAI for undertaking insurance e-commerce activities in India and is required to comply with the Guidelines on Insurance E-commerce, 2017 and the IRDAI (Insurance Web Aggregators) Regulations, 2017, as amended, to the extent applicable.

II. Data security and privacy

Under the Information Technology Act, 2000, as amended ("**IT Act**"), we are subject to civil liability to compensate for causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by us due to negligence in implementing and/or maintaining reasonable security practices and procedures. India has also implemented privacy laws, including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 ("**Personal Data Rules**"), which impose limitations and restrictions on the collection, use and disclosure of personal information. The Personal Data Protection Bill, 2019 was tabled in the Indian Parliament by the Government of India in December, 2019. This bill provides a framework for implementing organisational and technical measures in processing personal data to ensure the accountability of entities processing personal data. The bill also provides remedies for unauthorised and harmful processing, and proposes to establish a government authority for overseeing data processing activities.

Additionally, a circular issued by the NPCI provides that financial transactions conducted via UPI platform fall under the category of sensitive personal data or information, as defined under the IT Act. Accordingly, member banks, such as Paytm Payments Bank are required to adhere to the requirements of the IT Act and the Personal Data Rules while dealing with financial transactions.

The RBI Master Direction on Digital Payment Security Controls, 2021 requires Paytm Payments Bank to set up a robust governance structure and implement common minimum standards of security controls for digital payment products and services. Paytm Payments Bank is required to incorporate usage guidelines and training materials for the customers and make it mandatory for the end users to go through the usage guidelines as a part of the on-boarding process. These guidelines prescribe the standard for, amongst other things, the authentication framework, identification of suspicious transactions, real time reconciliation mechanism and specific security controls for internet banking and mobile payments applications.

III. Other regulations

Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018: Paytm Money has registered with the Pension Fund Regulatory and Development Authority ("**PFRDA**"), to act as points of presence through online platform only while Paytm Payments Bank has registered to act as points of presence through both, physical and online platform for distribution of certain pension schemes in India which are regulated by the PFRDA. The Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018 ("**Point of Presence Regulations**") envisage that all distribution-related activities including collection of funds and instructions from subscribers under the pension schemes are to be transmitted to central record keeping agencies through points of presence. Accordingly, Paytm Money is registered with Kfintech CRA. Further, the Point of Presence Regulations provide for registration of points of presence in various categories depending on the activity proposed to be carried out by the point of presence in relation to the National Pension System, Atal Pension Yojana and any other scheme regulated or administered by the PFRDA. Amongst others, the Point of Presence Regulations prescribe the duties and obligations of points of presence and regulation by the PFRDA of such points of presence.

Bureau of Indian Standards Act, 2016: Our Company has obtained certain licenses from the Bureau of Indian Standards ("**BIS**") under the Bureau of Indian Standards Act, 2016, as amended ("**BIS Act**"). For details, see "***Government and Other Approvals***" on page 414. The BIS Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standard Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any goods, article, process, system or service in relation to which the standard mark has been used conforms to the Indian standard or whether the standard mark has been properly used in relation to any goods, article, system, service or process with or without a license. Further, the Bureau of Indian Standards Rules, 2018, as amended, require the bureau to establish Indian standards in relation to any goods, article, process, system or service and reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

Legal Metrology Act, 2009: Our Company has also obtained certificates of registration under the Legal Metrology Act, 2009, as amended ("**Metrology Act**"), read with the Legal Metrology (Packaged Commodities) Rules, 2011. The Metrology Act states that any transaction/contract relating to goods/class of goods or undertakings shall be as per the weight/measurement/numbers prescribed by the Metrology Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in rules by each state.

Telecom laws: Our Company and Paytm Insurance Broking has obtained the certificates of registration as a telemarketer for telemarketing activities under the Telecom Commercial Communications Customer Preference Regulations, 2018. Accordingly, our Company and Paytm Insurance Broking are subject to the regulation of the DoT and is required to undertake all activities in relation to soliciting or promoting any commercial transaction through telecommunication services in accordance with the Telecom Commercial Communications Customer Preference Regulations, 2018. Further, our Company, Paytm Money and Paytm Insurance Broking act as 'other service providers', and in accordance with the Guidelines for Other Service Providers ("**OSPs**") dated November 5, 2020, we no longer require a registration in this regard. Recently, the DoT had further liberalised these guidelines allowing the same OSP to serve both domestic and international customers and removing restrictions for data connectivity between OSPs of the same company or group.

Consumer protection laws: The Consumer Protection Act, 2019, as amended, along with the Consumer Protection (E-Commerce) Rules, 2020 ("**E-commerce Rules**"), regulate matters relating to consumer rights, unfair trade practices and false or misleading advertising, and also establish regulatory authorities where our customers can file complaints for investigation and adjudication. The rules impose obligations on marketplace and inventory e-commerce entities and sellers relating to the conduct of business and disclosure of information. Recently, the Government of India proposed certain amendments to the E-commerce Rules which, if notified, among others, provide for the registration of e-commerce entities and prescribe certain restrictions in relation to flash sales, listing of related and associated parties as sellers and mis-selling of goods and services. The customers of our banking and wallet business can additionally approach the banking ombudsman for redressal of their grievances including grievances in relation to mobile banking and electronic banking services. The banking ombudsman facilitates the settlement of complaints by agreement or through conciliation and mediation between the parties or by passing an award. In addition to the above, Paytm Payments Bank is regulated by several other laws and regulations in relation to consumer protection, including the RBI Master Circular on Customer Service in Banks, 2015 and circulars issued by the RBI such as the Customer Protection – Limiting Liability of Customers in Unauthorised Electronic Banking Transactions, 2017 and Harmonisation of Turn Around Time (TAT) and Customer Compensation for Failed Transactions using Authorised Payment Systems, 2019.

Intellectual property laws: The Trade Marks Act, 1999, as amended (the "**Trade Marks Act**"), provides for the registration of trademarks in India, pursuant to which the registered owner of a trademark is granted exclusive rights to registered marks, including brands, labels and headings and combination of colours or any combination thereof, and to obtain relief in case of infringement for commercial purposes. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringing, falsifying and falsely applying trademarks.

IV. Foreign exchange controls

The Government of India's Consolidated Foreign Direct Investment Policy dated October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the Department for Promotion of Industry and Internal Trade ("**DPIIT**") that were in force and effect as on October 15, 2020 ("**FDI Policy**"), and Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended ("**FEMA Rules**"), have certain requirements with respect to downstream investments by Indian companies that are owned or controlled by foreign entities and with respect to foreign investment into India and transfer of ownership or control of Indian companies in sectors with caps on foreign investment from resident Indian persons or entities to foreigners, as well as such transactions between foreigner These requirements currently include restrictions on pricing, issue, transfer, valuation of shares and sources of funding for such investments, and may, in certain cases, require prior notice to or approval of the Government of India. In relation to us, the FDI Policy permits foreign direct investment of up to 100% under the automatic route. However, our subsidiaries and associates may be subject to certain restrictions under the FDI Policy, including those mentioned below:

i) Payments banks: In relation to Paytm Payments Bank, up to 49% is permitted under the automatic route and up to 74% is permitted under the government route, subject to the requirements mentioned above;

ii) Securities related intermediaries: In relation to Paytm Money, up to 100% is permitted under the automatic route, subject to the requirements mentioned above; and

iii) Insurance intermediaries: In relation to Paytm Insurance Broking, up to 100% is permitted under the automatic route, subject to the requirements mentioned above.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the DPIIT, as consolidated in the FDI Policy with effect from October 15, 2020, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI.

In addition to the above, our Company is required to comply with the provisions of the Indian Contract Act, 1872, Companies Act, 2013, Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years, Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017, IBC, and other applicable laws and regulations imposed by the central and state governments and other authorities for our day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as "One 97 Communications Private Limited", a private limited company under the Companies Act, 1956, with a certificate of incorporation issued by the Assistant Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi on December 22, 2000. On the conversion of our Company to a public limited company, pursuant to a resolution passed by our Shareholders on May 11, 2010 our name was changed to "One 97 Communications Limited" and a fresh certificate of incorporation consequent upon change of name on conversion to public limited company dated May 12, 2010 was issued by the Deputy Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi.

Changes in the Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation.

Date of change	Details of change in the registered office	Reasons for change
February 26, 2004	Registered office moved to 701-702, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110 001 from 606, Vishal Bhavan, 95, Nehru Place, New Delhi 110 019	Growth and expansion of the Company
July 12, 2007	Registered office moved to First Floor, Devika Tower, Nehru Place, New Delhi 110 019 from 701-702, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi 110 001	Growth and expansion of the Company

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *To carry on the business of developing, designing, importing and exporting software products and services including telecom related software and services and becoming a service provider of internet, telecommunication, radio, television or any other distribution or broadcasting activity as may be permitted by the Government.*

2. *To carry on the business of developing and providing services in the field of electronic, commerce, web based or related technology and applications, deal in all kinds of internet/intranet/extranet business using e-commerce application, in India and any other country, undertake computer related jobs as data collection, survey, data processing, data entry, computer aided drafting and designing/computer aided desk top publishing, multimedia applications (audio, video) communication network such as LAN, WAN. Internet and its application, e-commerce using various software developed by self or procured from the market.*

3. *To carry on the business of marketing and sales representatives in the electronic media and consultancy of electronic commerce and other products and services including internet, e-mail, enhanced fax service, electronic data interchange, web publishing, web/portal hosting, web solutions.*

4. *To develop, build, store, host and promote portals, web sites and other interactive multimedia products, e-commerce applications and services, whether digital or otherwise and market or distribute them on the internet or other distribution platforms.*

5. *To develop or acquire and own intellectual property and in particular to act as copyright owners, internet site or portal owners, video right owners, cable right owners, dubbing rights owners and other studio owners of all kinds of data, educational radio programmes, television programmes, videos, advertising, films and documentary in all formats and languages prevailing in the world.*

6. *To carry on the business of computer and information technology of all kinds of development of computer software, hardware, data processing and providing consultancy services, technical assistance in the field of information technology.*

7. *To carry on the business of provider and syndicator of electronic contents for websites provider of value added internet service, to act as consultants in internet related services and as integration company.*

8. *To provide, promote, develop, design, establish, setup, maintain, organize, undertake, manage, operate, run, market, purchase, sell, distribute, resell, import, export and carry on the business of all types/ kinds of electronic and virtual payment systems services, e-wallets, mobile-wallets, cash card, payment gateways services, prepaid and postpaid payment instruments payment systems including open/ closed/ semi-closed systems payment instruments, in India and abroad including all kinds of payment services in any manner whatsoever.*

9. *To provide services, management and consultancy in the field of prepaid and postpaid payment instruments services, electronic and virtual payment systems, transaction processing, and to act as dealers distributors, agents, representative of Indian and foreign concerns/ persons operating in the line of prepaid, postpaid and other payment system services, and allied activities related thereto.*

10. *To operate as a bill payment gateway/bill payment system service provider in accordance with applicable law including, inter alia, as a Bharat Bill Payment Operating Unit (BBPOU) under the Bharat Bill Payment System (BBPS) guidelines to provide bill payment services for utility bills, school/university fees, municipal taxes and for other services as may be notified by the relevant authority from time to time.*

11. *a. To carry on the business of distribution of all types of loan products, provide information on credit worthiness, screening borrowers, underwriting borrowings, lending and guarantying recovery of loan.*

    b. To carry on the business of soliciting or procuring insurance business as an insurance intermediary.

    c. To render services as brokers, commission agents, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any other financial intermediary.

12. *To carry on the business of travel agency and act as package tour operators, daily passenger service operators, tour operators, travel agents, ship booking agents, railway ticket booking agents, airlines ticket booking agents, carrier service agents, courier service agents etc. and to facilitate traveling and to provide for tourists and travelers, the provision of convenience of all kinds in the way of through tickets, sleeper cars, or berths, reserved places, hotel, motel, restaurant and lodging, accommodation guidance, safe deposits, enquiry bureaus, libraries, reading rooms, baggage transport, money exchanges, travel insurance provider and other allied services. To provide web-based services in relation to travel bookings, packages bookings and to provide other allied services through website, WAP site or mobile applications.*

13. *To lend and advance money or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity, to enter into guarantees and suretyship of all kinds, to receive money on deposits or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company, in furtherance of the main business objects of the company, subject to compliance with all applicable laws.*

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Date of Shareholder's resolution/ Effective date	Particulars
April 25, 2012	Clause III (A) of the Memorandum of Association comprising the objects clause was amended pursuant to resolution dated April 25, 2012 adopted by the Shareholders to include: "*To provide, promote, develop, design, establish, setup, maintain, organize, undertake, manage, operate, run, market, purchase, sell, distribute, resell, import, export and carry on the business of all types/ kinds of electronic and virtual payment systems services, e-wallets, mobile-wallets, cash card, payment gateways services, prepaid and postpaid payment instruments payment systems including open/ closed/ semi-closed systems payment instruments, in India and abroad includingall kinds of payment services in any manner whatsoever.* *To provide services, management and consultancy in the field of prepaid and postpaid payment instruments services, electronic and virtual payment systems, transaction processing, and to act as dealers distributors, agents, representative of Indian and foreign concerns/ persons operating in the line of prepaid, postpaid and other payment system services, and allied activities related thereto.*"
November 16, 2015	Clause III (A) of the Memorandum of Association comprising the objects clause was amended pursuant to resolution dated November 16, 2015 adopted by the Shareholders to include: *"To operate as a bill payment gateway/bill payment system service provider in accordance with applicable law including, inter alia, as a Bharat Bill Payment Operating Unit (BBPOU) under the Bharat Bill Payment System (BBPS) guidelines to provide bill payment services for utility bills, school/university fees, municipal taxes and for other services as may be notified by the relevant authority from time to time"*
September 2, 2016	Clause III (A) of the Memorandum of Association comprising the objects clause was amended pursuant to resolution dated September 2, 2016 adopted by the Shareholders to include: "*a) To carry on the business of distribution of all types of loan products, provide information on credit worthiness, screening borrowers, underwriting borrowings, lending and guarantying recovery of loan.* *b) To carry on the business of soliciting or procuring insurance business as an insurance intermediary.* *c) To render services as brokers, commission agents, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products issued by Banks, Mutual Funds or any other financial intermediary.*"
January 11, 2017	Clause III (A) of the Memorandum of Association comprising the objects clause was amended pursuant to resolution dated January 11, 2017 adopted by the Shareholders to include: "*To carry on the business of travel agency and act as package tour operators, daily passenger service operators, tour operators, travel agents, ship booking agents, railway ticket booking agents, airlines ticket booking agents, carrier service agents, courier service agents etc. and to facilitate traveling and to provide for tourists and travelers, the provision of convenience of all kinds in the way of through tickets, sleeper cars, or*

Date of Shareholder's resolution/ Effective date	Particulars
	berths, reserved places, hotel, motel, restaurant and lodging, accommodation guidance, safe deposits, enquiry bureaus, libraries, reading rooms, baggage transport, money exchanges, travel insurance provider and other allied services. To provide web-based services in relation to travel bookings, packages bookings and to provide other allied services through website, WAP site or mobile applications"
October 25, 2017	Clause III (A) of the Memorandum of Association comprising the objects clause was amended pursuant to resolution dated October 25, 2017 adopted by the Shareholders to include: *"To lend and advance money or give credit on any terms or mode and with or without security to any individual, firm, body corporate or any other entity, to enter into guarantees and suretyship of all kinds, to receive money on deposits or loan upon any terms, and to secure or guarantee in any manner and upon any terms the payment of any sum of money or the performance of any obligation by any person, firm or company, in furtherance of the main business objects of the company, subject to compliance with all applicable laws."*
June 2, 2018	Pursuant to the amendment in the Clause V of our Memorandum of Association, the authorized share capital of our Company, ₹1,041,066,000, divided into 56,100,000 equity shares of ₹10 each and 2,759,000 preference shares of ₹174 each, was reclassified as ₹1,041,066,000 divided into 104,106,600 equity shares of ₹10 each by reclassifying 2,759,000 preference shares of ₹174 each to 48,006,600 equity shares of ₹10 each.
June 30, 2021	Pursuant to the amendment in the Clause V of our Memorandum of Association, the authorized share capital of our Company of ₹1,041,066,000 divided into 104,106,600 equity shares of ₹10 each was sub-divided into ₹1,041,066,000 divided into 1,041,066,000 Equity Shares of ₹1 each.

Major events and milestones of our Company

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Events
2009	Launch of Paytm, a payment service which allowed prepaid users to top up their mobile accounts, and also shop directly using their bank accounts or credit cards
2012	Launch of payment gateway
2013	Receipt of RBI license for semi-closed wallet
2014	Launch of Paytm wallet app for iOS and Android
2017	Issuance of license to Paytm Payments Bank Limited by the Reserve Bank of India to carry on 'payments bank' business in India pursuant to the Banking Regulation Act, 1949
2017	Launch of Paytm FASTag by Paytm Payments Bank across India
2019	Issuance of certificate of registration to Paytm Money Limited by SEBI to act as a 'stock broker' pursuant to the SEBI (Stock Brokers) Regulations, 1992
2020	Issuance of certificate of registration to Paytm Insurance Broking Limited by IRDAI to act as a 'direct broker (life and general)' pursuant to the IRDAI (Insurance Brokers) Regulations, 2018
2020	Launch of our mini-app store to support Indian developers

Awards and Accreditations

Calendar Year	Details
2021	Awarded 'Best FinTech Growth Story' award at 'India Digital Awards' conducted by Internet and Mobile Association of India
2021	Our Subsidiary, Paytm Money Limited, was awarded for 'trading tech' at BW Disrupt TechTors Summit & Awards
2020	Our Group Company, Paytm Payments Bank Limited, was awarded 'ETBFSI Excellence Award' for the 'Best Digital Bank of the Year' category by ETBFSI.com

Calendar Year	Details
2020	Our Subsidiary, Paytm Money Limited, was awarded the 'excellence in payment' award by India FinTech Forum at India FinTech Awards, 2020
2019	Our Group Company, Paytm Payments Bank Limited, was awarded 'Finacle Client Innovation Award, 2019' for the 'product innovation' category by Infosys Finacle
2019	Mr. Vijay Shekhar Sharma was awarded as one of the business leaders of the year by Horasis and KPMG
2018	Awarded 'best online commercial' award at Drivers of Digital Awards and Summit, 2018
2018	Mr. Vijay Shekhar Sharma was awarded the 'Entrepreneur of the Year 'award at AIMA Managing India Awards, 2018 by All India Management Association
2018	Awarded under the 'mobile payment product' category for digital payment facilitators at the 12th India Digital Summit organised by Internet and Mobile Association of India
2017	Mr. Vijay Shekhar Sharma was named in the '2017 Time 100', the list of 'hundred most influential people in the world' by TIME
2016	Awarded under the 'impact' category at Future of Fintech Awards by Financial Times
2015	Awarded the 'Disruptive Digital Innovator' award at Digitizing India Awards, 2015
2015	Awarded the 'Most Innovative Company of the Year' award at Business Standard Annual Awards, 2014

Significant financial and strategic partnerships

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

Time/cost overrun

There has been no time or cost over-run in respect of our business operations.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "***Our Business***" on page 155.

Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

Shareholders' agreements

Shareholders' agreement dated November 17, 2019 executed by and among our Company, Mr. Vijay Shekhar Sharma ("Founder"), Alibaba.com Singapore E-Commerce Private Limited ("Alibaba"), Alipay Singapore E-Commerce Private Limited , SVF India Holdings (Cayman) Limited and SVF Panther (Cayman) Limited (collectively, "SVF"), SAIF Partners India IV Limited, Elevation Capital V Limited (formerly known as SAIF Partners India V Limited), Elevation Capital V FII Holdings Limited (formerly known as SAIF India V FII Holdings Limited) (collectively, "Elevation Capital"), SAIF III Mauritius Company Limited ("SAIF") and BH International Holdings ("Berkshire Hathaway, and such agreement referred to as, the "SHA"), the amendment and supplemental agreements thereto, each dated November 18, 2019, in respect of each of (i) T. Rowe Price Growth Stock Fund, Inc, T. Rowe Price Growth Stock Trust, T. Rowe Price Communications & Technology Fund, Inc., T. Rowe Price Global Technology Fund, Inc., T. Rowe Price Global Growth Stock Fund, T. Rowe Price Global Growth Equity Trust, T. Rowe Price Global Equity Fund and T. Rowe Price Global Growth Equity Pool (collectively, "T Rowe"), (ii) Hana Investment Company W.L.L., (iii) SFSPVI Ltd., (iv) Ventura Capital GP Limited, (v) Samba Financial Group, (vi) K2 VC I LLC, (vii) K2 VC LLC, and (viii) DG PTM LP (each of (i) to (viii), and the deed of accession thereto dated January 8, 2020 executed by Antfin (Netherlands) Holding B.V. ("API") (Alibaba, API, SVF, Elevation Capital and Berkshire Hathaway collectively referred to as, the "Investors", and along with the Company and the Investors, collectively, the "Parties"); read with an Amendment Agreement dated June 15, 2021 executed among our Company, the Investors and T Rowe ("Amendment Agreement")

The Founder and each of Alibaba, Alipay Singapore E-Commerce Private Limited (which was replaced by API pursuant to a transfer of shares on January 8, 2020), SVF, Elevation Capital, SAIF and Berkshire Hathaway have entered into the SHA to govern their mutual rights and obligations in relation to our Company, and certain Parties have executed amendment and supplemental agreements to the SHA. Pursuant to the terms of the SHA, read with the Amendment Agreement, (a) so long as the Founder either (x) directly or indirectly holds at least 3,100,000 equity shares of face value ₹10 each on a fully diluted basis (which shall in no event be less than 2.5% of the issued and subscribed share capital of the Company on a fully diluted basis), or (y) continues to hold an executive position in the Company ("**Founder Director Threshold**"), the Founder shall be entitled to nominate one Director on the Board (the "**Founder Director**"), provided that if the Founder fails to meet either (but not both) of the conditions of the Founder Director Threshold at any time, the Founder himself shall be the Founder Director and shall not be entitled to nominate anybody else as the Founder Director; provided, further that when the Founder fails to meet both the conditions contained in the Founder Director Threshold, then he shall not be entitled to have himself or anyone else nominated as the Founder Director; and (b) so long as each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital, (jointly and not individually, in the case of SAIF and Elevation Capital), respectively hold at least 10% of the Equity Shares ("**Shareholder Director Threshold**") on a fully diluted basis, each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital, (jointly and not individually, in the case of SAIF and Elevation Capital), shall respectively and separately be entitled to nominate a Director on the Board. If any of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital) fail to meet the Shareholder Director Threshold, then it shall not impact the right to nominate Directors on the Board of others who continue to meet or exceed the Shareholder Director Threshold.

Further, the SHA provides certain information and inspection rights to, among others, the Investors, including the right to inspect unaudited books of accounts, draft business plans and other information which may be reasonably requested by certain Investors. The Founder, the Investors and other series G investors have also agreed to be subject to certain restrictions and obligations in relation to certain proposed transfers of shareholding, including providing *inter se* rights of first offer, rights of co-sale in certain transfers and drag along rights. Pursuant to the Amendment Agreement, the Shareholders have waived or suitably amended such inter se rights, to the extent relevant and required in respect of the Offer.

Further to the provisions of the SHA, our Company is required to indemnify the Investors, and their respective affiliates and controlling persons, shareholders, directors, officers and employees, against any loss, claim, damage, liability, cost or expense arising out of misstatements and omissions of the Company in an offering document or preliminary offer document, and violations of applicable securities laws by the Company or any other error or omission of the Company in connection with a public offering hereunder.

In accordance with the terms of the SHA, certain matters have been identified which require the affirmative vote or prior written consent of the nominee directors of API, SVF, SAIF and Elevation Capital, collectively and the Founder, and a representative of Alibaba, including any increase, reduction, sub-division, reorganization, reclassification of the authorized, issued, or paid-up share capital of the Company or its subsidiaries, any merger, acquisition, consolidation, reorganization, amalgamation or other business combination involving any group company, any change in the size of the board of directors of our Company or its subsidiaries, and transaction or agreement, or any amendment, supplement, waiver or extension of any such transaction or agreement, with a related party. The SHA also identifies certain items that are required to be validly passed by a simple majority of the Board of Directors, including any change in the statutory auditors of the Company or its subsidiaries, the creation or operation of any subsidiary, investment vehicle or other controlled entity, or any entity which contains 'Paytm' or 'One97' in its corporate name, or the entering into of any joint ventures with third parties, incurrence by the Company or its subsidiaries of any absolute or contingent indebtedness, or any assumption or guarantee by the Company or its subsidiaries of any liability owing to a third party, in each case, exceeding ₹ 500,000,000 in aggregate for such entity, and any inter-company financial transactions and/ or investments by the Company or its subsidiaries in any other consolidated entity greater than ₹ 100,000,000 per annum.

The SHA shall terminate upon the consummation of an initial public offering of the Equity shares on stock exchanges in India ("**IPO**"), except for certain clauses relating to indemnification, confidentiality, governing law and dispute resolution that will continue to survive such termination. Certain shareholders of our Company have also agreed to an arrangement, as specified in the Articles of Association, wherein they will not sell their equity shareholding in our Company to certain competitors subject to the exceptions specified therein for a period of five years from the adoption of the Articles of Association.

The Amendment Agreement shall stand automatically terminated and each of the waivers provided thereunder shall be automatically rescinded and revoked (and shall have no force and effect) without any further action or deed required on the part of any Party, upon the earlier of the following dates: (i) September 30, 2022 or such other cut-off date for the closing of the IPO as may be mutually agreed in writing among the parties to the Amendment Agreement; (ii) the date on which the Board decides not to undertake the IPO; and (iii) 60 business days from the date on which the Shareholders adopt the revised Articles of Association (reflecting the changes pursuant to the Amendment Agreement), if the Company does not file a draft red herring prospectus (or equivalent offering documents) in relation to the IPO.

In terms of Part A of the Articles of Association (which will be effective from the commencement of listing and trading of the Equity Shares of our Company on the stock exchanges), after the closing of the Offer (i.e. listing of the Equity Shares on the BSE and/or NSE), subject to applicable laws and the approval of the Shareholders by way of a special resolution in the first general meeting convened after the closing of the IPO, (a) so long as the Founder meets the Founder Director Threshold, the Founder shall be entitled to nominate the Founder Director, provided that if the Founder fails to meet either (but not both) of the conditions of the Founder Director Threshold at any time, the Founder himself shall be the Founder Director and shall not be entitled to nominate anybody else as the Founder Director; provided, further that when the Founder fails to meet both the conditions contained in the Founder Director Threshold, then he shall not be entitled to have himself or anyone else nominated as the Founder Director and (b) so long as each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), respectively hold at least 10% of the Equity Shares ("**Shareholder Director Threshold**") on a fully diluted basis, each of (i) API (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), shall respectively and separately be entitled to nominate a Director each on the Board. If any of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), fail to meet the Shareholder Director Threshold, then it shall not impact the right to nominate Director on the Board of others who continue to meet or exceed the Shareholder Director Threshold.

Shareholders agreement dated November 4, 2016 ("PPBL SHA") executed by and among our Company, One 97 Communications India Limited ("OCIL") (Our Company, OCIL and their affiliates are collectively referred to as the "OCL Group"), Mr. Vijay Shekhar Sharma and Paytm Payments Bank Limited ("PPBL"); Share subscription agreement dated November 4, 2016 executed by and among our Company, OCIL, PPBL and Mr. Vijay Shekhar Sharma

PPBL was incorporated in 2016 with 49% of its stake being held by our Company (together with our wholly owned subsidiary, One97 Communication India Limited) and 51% of its stake being held by Mr. Vijay Shekhar Sharma. The PPBL SHA has been executed between our Company, OCIL, Mr. Vijay Shekhar Sharma and PPBL in order to record the rights and obligations of the parties in relation to the management and functioning of PPBL. Our Company has the right to nominate two directors on the board of PPBL, not liable to retire by rotation. Further, in accordance with the terms of the PPBL, our Company has a call option right on the shares of PPBL held by Mr. Vijay Shekhar Sharma, subject to him holding at least 40% of the share capital of PPBL during the lock-in period, as prescribed under the PPBL SHA, or such other period as may be prescribed under the applicable law. The call option is subject to various legal considerations such as mandatory lock in of shares of the promoter of a payments bank under applicable law and applicable foreign direct investment guidelines. Further, in terms of the PPBL SHA, the OCL Group shall provide PPBL with access to its mobile/website interface such that PPBL is not required to have a separate interface and access to all of PPBL's products and services is provided to each customer through the "*paytm*" application. Pursuant to the terms of the PPBL SHA, any further issuance of PPBL's shares shall first be made on a rights issue basis to the existing shareholders of PPBL, on a proportionate basis.

Shareholders agreement dated July 25, 2017 ("Mobiquest SHA") executed by and among our Company, Mobiquest Mobile Technologies Private Limited ("Mobiquest"), Mr Vineet Narang and Ms. Sabina Kamal ("Mobiquest Founders"), and Mr. Anoop Shrivastava, Mr. Chandra Shekhar and Mr. K.C. Narang ("Mobiquest Minority Shareholders") (Our Company, Mobiquest Founders and Mobiquest Minority Shareholders are collectively referred to as the "Mobiquest Shareholders"); Share subscription agreement dated July 25, 2017 executed by and among our Company, Mobiquest and Mobiquest Founders; and share subscription agreement dated April 4, 2020 executed by and among our Company, Mobiquest and Mobiquest Founders

In accordance with the terms of the Mobiquest SHA, Mobiquest Founders, our Company and Existing Mobiquest Shareholders of Mobiquest have certain mutual rights and obligations. These include, the right to nominate on the board of Mobiquest (a) three directors by our Company, not liable to retire by rotation; (b) two directors by the Mobiquest Founders, subject to their shareholding on a fully diluted basis being more than 20% of the share capital of Mobiquest. Our Company is entitled to the right of first refusal in relation to a proposed transfer of shares by the other shareholders, in addition to being entitled to drag along rights if it decides to sell its shares to a third party. Further, the Existing Mobiquest Shareholders and Mobiquest Founders are entitled to tag along rights in relation to a proposed transfer of shares by our Company, subject to certain conditions. Additionally, without the prior written consent of our Company, no shares held in Mobiquest by any other shareholder, can be transferred to a competitor of our Company.

The Mobiquest SHA stipulates certain restrictive covenants applicable to the Mobiquest Founders, Mobiquest Minority Shareholders and certain shareholders of Mobiquest ("**Existing Mobiquest Shareholders**") (collectively, the "**Restricted Parties**"). These include, among others, restriction on the Restricted Parties to engage in any of the restricted activities contemplated under the Mobiquest SHA, such as carrying on or negotiating with any person for establishing another entity to carry on the same business as that of Mobiquest, without prior consent of our Company, within five years from the date of Restricted Parties ceasing to be the shareholders of Mobiquest.

Shareholders' agreement dated November 30, 2017 ("Little India SHA") executed by and among our Company, Sequoia NBY Investment Holdings ("Sequoia"), Groupon Holdings B.V. ("Groupon"), Gamnat Pte. Ltd. ("GIC"), Nearbuy Pte. Ltd. ("Nearbuy Singapore"), Little Internet Singapore Pte. Ltd. ("Little Singapore"), Nearbuy India Private Limited ("Nearbuy India"), Little Internet Private Limited ("Little India"), Mr. Ankur Warikoo, Mr. Ravi Shankar L. and Mr. Snehesh Mitra (collectively, "NBI Founders") and others; and Share subscription agreement dated November 30, 2017, executed by and among our Company, Little Singapore, Little India, Mr. Manish Chopra and Mr. Satish Mani

The Little India SHA has been executed in order to record the rights and obligations of the parties in relation to the management and functioning of Little India. Our Company has a right to nominate four directors on the board of Little India pursuant to the Little India SHA, who shall not be liable to retire by rotation. In accordance with the terms of the Little India SHA, the parties have certain mutual rights and obligations, including the right of first refusal and drag along rights held by our Company and tag along rights held by Sequoia and Groupon in relation to a proposed transfer of shares by the other shareholders. Further, the Little India SHA stipulates certain restrictive covenants on the parties in relation to their activities involving, among others, investment in or establishment of an entity which on in India, a business which is similar to that of Little India ("**Competing Investments**"). Subject to the terms of the Little India SHA, Nearbuy Singapore, Sequoia, Groupon and NBI Founders shall not indulge in Competing Investments without prior written consent of our Company. Further, the Little India SHA stipulates that if our Company engages in any Competing Investment, it shall ensure that the director(s) nominated by our Company on Little India's board, and the authorised representatives of our Company at Little India's shareholders' meetings are distinct from the director(s) and authorised representative nominated by our Company in the competing entity's (provided however, that, the aforesaid restrictions in relation to appointment of directors shall not be applicable to: (a) any existing Competing Investments held by our Company; and (b) any competing activity undertaken directly by our Company at any point in time).

Shareholders agreement dated September 22, 2017 ("UMPL SHA") executed by and among our Company, Urja Money Private Limited ("UMPL"), Venture Product Foundry LLP and Mr. Aditya Singh (collectively referred to as the "UMPL Promoters"), and Mr. Jonathan Alexander Bill and Mr. Ashish Pratap Doshi (collectively referred to as the "Confirming Parties"); and Share subscription agreement dated September 22, 2017 executed by and among our Company, UMPL, UMPL Promoters and Confirming Parties)

Pursuant to the terms of the UMPL SHA, UMPL shall have maximum of seven directors. Our Company has a right to nominate four directors on the board of UMPL who shall not be liable to retire by rotation. In accordance with the terms of the UMPL SHA, the parties have certain mutual rights and obligations, including the right of first refusal, tag along and drag along rights held by our Company and right of first offer held by UMPL Promoters in relation to a proposed transfer of shares by the other shareholders. The UMPL SHA prohibits the UMPL Promoters, the Confirming Parties and certain key executives as mentioned in the UMPL SHA to engage in, among others, carrying or negotiating with any person for the purpose of establishing another entity which carries on a competing business with UMPL, without prior written consent of our Company, within one year from ceasing to be UMPL's shareholders. Additionally, no shares held in UMPL by any shareholder, can be transferred to a competitor of our Company or UMPL.

Stock acquisition rights subscription agreement dated September 23, 2020 entered into between our Company, Paypay Corporation and One97 Communications Singapore Private Limited

PayPay Corporation ("**PayPay**"), incorporated under the laws of Japan in 2018, provides payments and related financial services licensed or registered under the regulations in Japan. One 97 Communications Limited and One 97 Communications Singapore Private Limited are parties to certain agreements with PayPay, Softbank Corp., Softbank Group Corp. and Yahoo Japan Corporation, under which technology services have been provided by our Company and through our Subsidiaries including One 97 Communications Singapore Private Limited. In lieu of these services, One 97 Communications Singapore Private Limited, a direct wholly owned Subsidiary of our Company, has acquired stock acquisition rights, which in aggregate will be convertible into 159,012 common shares in PayPay, at a certain price (which as of March 31, 2021 amounts to 7.2% of PayPay on a fully diluted basis).

Key terms of other subsisting material agreements

Except as disclosed in "***– Shareholders' agreements***" on page 209 and below, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

Joint venture agreement dated July 24, 2017 ("JVA") executed by and among our Company, AGTech Media Holdings Limited ("Agtech") and AGTech Holdings Limited ("AGL") (the "Joint Venture Agreement")

The Joint Venture Agreement was entered into among our Company, Agtech and AGL, in order to set up Paytm First Games Private Limited ("**Paytm First Games**"), for the purpose of developing, enhancing and operating a platform through a user interface, allowing users to participate and play various games. Our Company, through its wholly-owned Subsidiary, Paytm Entertainment Limited ("**PEL**"), holds 55% of the shareholding in Paytm First Games, while the remaining 45% is held by Agtech. The Joint Venture Agreement contains provisions in relation to the functioning of Paytm First Games, including, among other things, its nature of business, conduct of board and shareholders' meetings, and composition of the board. PEL has the right to appoint three out of five directors on the board of Paytm First Games. Our Company and PEL are governed by the non-compete clauses of the Joint Venture Agreement which prohibit us and our subsidiaries from, among other things, investing or participating in any business which is similar to that of Paytm First Games. Our Company is the exclusive payments aggregator for facilitating digital payments transactions and receiving electronic payments from customers of Paytm First Games so long as our Company holds more than 26% of the shareholding of Paytm First Games on a fully diluted basis.

Disclosures in relation to investments to be made in Raheja QBE General Insurance Company Limited

Our associate company, Paytm Insuretech Private Limited (previously known as QORQL private limited) ("**PIT**") has entered into a share purchase agreement in July 2020 to acquire 100% of Raheja QBE General Insurance Company Limited ("**RQBE Transaction**"). PIT has applied to the Insurance Regulatory and Development Authority for its approval on this proposed transaction.

It is proposed for our Company to provide approximately ₹4,920 million in the form of optionally convertible debentures ("**OCDs**") to VSS Holdings Private Limited ("**VSS Holdco**"), a company which is 100% owned by Mr. Vijay Shekhar Sharma. The funds, if infused, will be used for the purpose of investing in PIT (which in turn would be further investing the money in RQBE Transaction). Our Company would have the option of converting these OCDs into equity shares (subject to regulatory approvals) of VSS Holdco. VSS Holdco's investment in PIT, and the overall RQBE Transaction, remains subject to regulatory approvals. Currently, there is no certainty that this transaction will be consummated, or whether VSS Holdco will raise these funds from the Company, or instead from a third party, for the purposes of infusion in PIT.

Shareholders' agreement dated June 17, 2020, amongst, our Company, Mr. Vijay Shekhar Sharma and Paytm Insuretech Private Limited ("PIT SHA")

We have entered into the PIT SHA with our associate company, Paytm Insuretech Private Limited (previously known as QORQL private limited) ("**PIT**"). In accordance with the terms of the PIT SHA, our Company has a call option right on the shares of PIT held by Mr. Vijay Shekhar Sharma, and such right shall subsist until such time that Mr. Vijay Shekhar Sharma ceases to hold any equity shares in PIT.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as disclosed above under "***– Shareholders' agreements***" on page 209, and below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.

Business Transfer Agreement between our Company and Paytm E-Commerce Private Limited ("PEPL") dated February 6, 2017 ("Paytm E-Commerce BTA")

Pursuant to the Paytm E-Commerce BTA, our Company has transferred to PEPL its business of operating an e-commerce marketplace on www.paytm.com and the mobile application through which our Company runs the marketplace, by way of a slump sale. Pursuant to the slump sale of the online marketplace business, our Company has transferred all of the assets, contracts, employees and liabilities of the online marketplace.

Business Transfer Agreement between our Company and Acumen Game Entertainment Private Limited ("Acumen Games")(now Paytm First Games Private Limited) dated May 3, 2018 ("Acumen Games BTA")

Pursuant to the Acumen Games BTA, our Company has transferred to Acumen Games its online gaming business run on the platform gamepind.com and the mobile application through which our Company runs the platform by way of a slump sale. Pursuant to the slump sale of its online gaming business, our Company has transferred all of the attendant assets, contracts, employees and liabilities of the online gaming business.

Agreements with Key Managerial Personnel, Director or any other employee

There are no agreements entered into by our Key Managerial Personnel or Director or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Holding company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has 32 Subsidiaries, of which there are 15 Indian subsidiaries and 17 foreign subsidiaries, as set forth below.

Indian subsidiaries

1. ***Fincollect Services Private Limited***

Corporate Information

Fincollect Services Private Limited was incorporated under the Companies Act, 2013 on August 14, 2019 as a private limited company. The principal business of Fincollect Services Private Limited is, amongst others, the business of debt recovery, acting as collection agents, and providing marketing support, identity verification, security checks and background information processes.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Fincollect Services Private Limited is ₹1,000,000 divided into 100,000 equity shares of ₹10 each.

The issued, subscribed and paid-up capital of Fincollect Services Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each. Our Subsidiary, Urja Money Private Limited, holds 99.99% of FinCollect Services Private Limited's shareholding.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Fincollect Services Private Limited not accounted for by our Company.

2. Little Internet Private Limited

Corporate Information

Little Internet Private Limited was incorporated under the Companies Act, 2013 on May 12, 2015 as a private limited company. It is currently not engaged in any active business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Little Internet Private Limited is ₹ 226,100,000 divided into 22,610,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Little Internet Private Limited is ₹223,833,960 divided into 22,383,396 equity shares of ₹10 each. Our Company holds 13,997,263 equity shares of ₹10 each aggregating to 62.53% of the total shareholding of Little Internet Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Little Internet Private Limited not accounted for by our Company.

3. Mobiquest Mobile Technologies Private Limited

Corporate Information

Mobiquest Mobile Technologies Private Limited was incorporated under the Companies Act, 1956 on February 5, 2007 as "999 Adsonline Private Limited", a private limited company. The name of the company was changed to "Mobiquest Mobile Technologies Private Limited" pursuant to a fresh certificate of incorporation dated July 11, 2008 issued by the Registrar of Companies, NCT of Delhi and Haryana. The principal business of Mobiquest Mobile Technologies Private Limited is ,amongst others, to act as a mobile enterprise platform company by using the software as a service model to provide customers with mobile based enterprise business automation applications.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Mobiquest Mobile Technologies Private Limited is ₹4,000,000 divided into 350,000 equity shares of ₹ 10 each and 50,000 preference shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Mobiquest Mobile Technologies Private Limited is ₹ 3,611,820 divided into 312,299 equity shares of ₹ 10 each and 48,883 preference shares of ₹ 10 each. Our Company holds 201,634 equity shares of ₹ 10 each and 35,710 preference shares of ₹ 10 each aggregating to 65.71% of the total shareholding of Mobiquest Mobile Technologies Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Mobiquest Mobile Technologies Private Limited not accounted for by our Company.

4. *Nearbuy India Private Limited*

Corporate Information

Nearbuy India Private Limited was incorporated under the Companies Act, 1956 on May 4, 2010 as “Friday Media Private Limited”, a private limited company. The name of the company was changed to “Groupon India Private Limited” pursuant to a fresh certificate of incorporation dated June 6, 2012 issued by the Registrar of Companies, NCT of Delhi and Haryana which was subsequently changed to “Nearbuy India Private Limited” pursuant to a fresh certificate of incorporation dated December 20, 2016 issued by the Registrar of Companies, NCT of Delhi and Haryana. The principal business of Nearbuy India Private Limited is, amongst others, to act as an online marketplace operating primarily in sectors such as food & beverage, spa & salon, local retail/gift cards and it helps connect the merchants in these sectors by selling their curated deals online to the end customers.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Nearbuy India Private Limited is ₹9,000,000 divided into 900,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Nearbuy India Private Limited is 9,000,000 divided into 900,000 equity shares of ₹ 10 each. Our Subsidiary, Little Internet Private Limited, holds 100% beneficial shareholding of Nearbuy India Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Nearbuy India Private Limited not accounted for by our Company.

5. *One 97 Communications India Limited*

Corporate Information

One 97 Communications India Limited was incorporated under the Companies Act, 1956 on December 21, 2010 as “Always On Managed Services Limited” a public limited company. The name of the company was changed to “One 97 Communications India Limited” pursuant to a fresh certificate of incorporation dated April 18, 2013 issued by the Registrar of Companies, NCT of Delhi and Haryana. The principal business of One 97 Communications India Limited is, amongst others, providing services using voice and messaging platforms and other ancillary business services to enterprise customers and software development, consultancy services and technical assistance in the field of information technology and telecom.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One 97 Communications India Limited is ₹1,000,000,000 divided into 100,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of One 97 Communications India Limited is ₹831,500,000 divided into 83,150,000 equity shares of ₹ 10 each. Our Company, along with its nominees, holds the entire shareholding of One 97 Communications India Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One 97 Communications India Limited not accounted for by our Company.

6. *Orbgen Technologies Private Limited*

Corporate Information

Orbgen Technologies Private Limited was incorporated under the Companies Act, 1956 on November 23, 2007 as a private limited company. The principal business of Orbgen Technologies Private Limited is, amongst others, the business of system study, design and development of system software, application software, manpower support services for online entertainment ticketing business .

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Orbgen Technologies Private Limited is ₹200,000,000 divided into 3,000,000 equity shares of ₹10 each and 170,000 compulsorily convertible preference shares of ₹ 1,000 each.

The issued, subscribed and paid-up capital of Orbgen Technologies Private Limited is ₹9,748,800 divided into 974,880 equity shares of ₹ 10 each. Our Company, along with its nominees, holds the entire shareholding of Orbgen Technologies Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Orbgen Technologies Private Limited not accounted for by our Company.

7. Paytm Entertainment Limited

Corporate Information

Paytm Entertainment Limited was incorporated under the Companies Act, 2013 on July 25, 2017 as a public limited company. The principal business of Paytm Entertainment Limited is, amongst others, business of information technology including providing technical application support services and solutions along with the business of developing, enhancing and operating an online platform through a user interface, allowing users to participate in and play various games.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Entertainment Limited is ₹800,000,000 divided into 80,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm Entertainment Limited is ₹788,737,550 divided into 78,873,755 equity shares of ₹ 10 each. Our Company, along with its nominees, holds the entire shareholding of Paytm Entertainment Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Entertainment Limited not accounted for by our Company.

8. Paytm First Games Private Limited*

Corporate Information

Paytm First Games Private Limited was incorporated under the Companies Act, 2013 on November 13, 2017 as "Acumen Game Entertainment Private limited" a private limited company. The name of the company was changed to "Gamepind Entertainment Private Limited" pursuant to a fresh certificate of incorporation dated October 13, 2018 issued by the Registrar of Companies, NCT of Delhi and Haryana, and subsequently to "Paytm First Games Private Limited" pursuant to a fresh certificate of incorporation dated January 10, 2020 issued by the Registrar of Companies, NCT of Delhi and Haryana. The principal business of Paytm First Games Private Limited is, amongst others, developing, enhancing and operating an online platform through a user interface, allowing users to participate in and play various games, including but not limited to games of skill, games of chance, mobile games, lottery games, quizzes, card games and event guessing.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm First Games Private Limited is ₹1,250,000,000 divided into 125,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm First Games Private Limited is ₹1,240,615,550 divided into 12,406,155 equity shares of ₹ 10 each. Our Subsidiary, Paytm Entertainment Limited, along with its nominees, holds 68,233,855 equity shares of ₹10 each aggregating to 55% of the total holding of Paytm First Games Private Limited.

Amount of accumulated profits or losses

In accordance with applicable accounting standards, Paytm First Games Private Limited has been identified as a joint venture of our Company in the Restated Financial Statements. Accordingly, equity accounting has been followed in the Restated Financial Statements for the investment in Paytm First Games Private Limited. Our Company has recorded a proportionate share of accumulated losses to the extent of the investment made in Paytm First Games Private Limited. Share of losses amounting to ₹320 million which are in excess of the investment made have not been recorded in the Restated Financial Statements since our Company does not have any constructive or legal obligation to make payment on behalf of Paytm First Games Private Limited or its step down subsidiaries.

[*]Note: Paytm First Games Private Limited has been identified as a joint venture of our Company in the Restated Financial Statements, in accordance with the applicable accounting standards. However, pursuant to the definition of "subsidiaries" under the Companies Act, Paytm First Games Private Limited has been identified as a Subsidiary of our Company, as our Company controls more than one-half of the total voting power of Paytm First Games Private Limited.

9. *Paytm Insurance Broking Private Limited*

Corporate Information

Paytm Insurance Broking Private Limited was incorporated under the Companies Act, 2013 on September 28, 2019 as a private limited company. The principal business of Paytm Insurance Broking Private Limited is, amongst others, the business of acting as a direct broker in accordance with the IRDAI (Insurance Brokers) Regulations, 2018, as amended.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Insurance Broking Private Limited is ₹ 750,000,000 divided into 75,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm Insurance Broking Private Limited is ₹ 750,000,000 divided into 75,000,000 equity shares of ₹ 10 each. Our Company, along with its nominees, holds the entire shareholding of Paytm Insurance Broking Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Insurance Broking Private Limited not accounted for by our Company.

10. *Paytm Money Limited*

Corporate Information

Paytm Money Limited was incorporated under the Companies Act, 2013 on September 20, 2017 as a public limited company. The principal business of Paytm Money Limited is, amongst others, the business of providing cloud-based mobile first wealth management services, including but not limited to broking/depository operations, distribution of direct schemes of mutual funds and investment in pension products to retail investors in India.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Money Limited is ₹2,850,000,000 divided into 285,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm Money Limited is ₹ 2,588,700,000 divided into 258,870,000 equity shares of ₹10 each. Our Company, along with its nominees, holds the entire shareholding of Paytm Money Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Money Limited not accounted for by our Company.

11. ***Paytm Payments Services Limited***

Corporate Information

Paytm Payments Services Limited was incorporated under the Companies Act, 2013 on October 10, 2020 as a public limited company. The principal business of Paytm Payments Services Limited is, amongst others, the business to provide payment aggregator services and payment gateway services in accordance with applicable law, including rules and regulations formulated by the Reserve Bank of India and/ or any other authority in this regard and to develop infrastructure including information technology, handling, facilitating, processing and settlement of transactions, customer grievances and disputes between various parties in accordance with rules notifications, guidelines, circulars and regulations and any other related payment aggregator and payment gateway services.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Payments Services Limited is ₹1,000,000,000 divided into 100,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm Payments Services Limited is ₹ 500,000,000 divided into 50,000,000 equity shares of ₹10 each. Our Company, along with its nominees, holds the entire shareholding of Paytm Payments Services Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Payments Services Limited not accounted for by our Company.

12. ***Paytm Services Private Limited***

Corporate Information

Paytm Services Private Limited was incorporated under the Companies Act, 2013 on June 28, 2016 as "Balance Technology Private Limited", a private limited company. The name of the company was changed to "Paytm Services Private Limited" pursuant to fresh certificate of incorporation issued dated October 14, 2019. The principal business of Paytm Services Private Limited is, amongst others, to provide manpower hiring, placement, including provision of field executives and other services in connection with human resources and manpower supply in India.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Services Private Limited is ₹30,000,000 divided into 3,000,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Paytm Services Private Limited is ₹30,000,000 divided into 3,000,000 equity shares of ₹ 10 each. Our Company holds the entire shareholding of Paytm Services Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Services Private Limited not accounted for by our Company.

13. Urja Money Private Limited

Corporate Information

Urja Money Private Limited was incorporated under the Companies Act, 1956 on October 30, 2012 as a private limited company. The principal business of Urja Money Private Limited is, amongst others, developing software/applications and/or carry on the business of providing financial, investment and lending advisory services, including but not limited to identifying lending and investment opportunities, conducting analysis and assessment, providing lending and investment recommendations and consultancy service to corporate, institutional, group and individual customers and to provide all ancillary and related service.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Urja Money Private Limited is ₹ 110,025,000 divided into 11,000,000 equity shares of ₹ 10 each and 2,500 preference shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Urja Money Private Limited is ₹ 31,156,080 divided into 3,115,608 equity shares of ₹ 10 each. Our Company holds 2,102,245 equity shares of ₹ 10 each aggregating to 67.47% of the total holding of Urja Money Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Urja Money Private Limited not accounted for by our Company.

14. Wasteland Entertainment Private Limited

Corporate Information

Wasteland Entertainment Private Limited was incorporated under the Companies Act, 2013 on December 21, 2015 as "Teenage Wasteland Entertainment Private Limited" a private limited company. The name of the company was changed to "Wasteland Entertainment Private Limited" pursuant to fresh certificate of incorporation issued dated March 9, 2016. The principal business of Wasteland Entertainment Private Limited is, amongst others, the provision of ticketing services to event organizers through theatres and other events, including, among others, cash collections, internet-based ticketing and kiosk ticketing. It operates through an entertainment ticketing website namely, www.insider.in.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Wasteland Entertainment Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Wasteland Entertainment Private Limited is ₹ 516,730 divided into 51,673 equity shares of ₹ 10 each. Our Company, along with its nominees, holds the entire shareholding of Wasteland Entertainment Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Wasteland Entertainment Private Limited not accounted for by our Company.

15. Xceed IT Solutions Private Limited

Corporate Information

Xceed IT Solutions Private Limited was incorporated under the Companies Act, 1956 on August 11, 2005 as a private limited company. It is currently not engaged in any active business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Xceed IT Solutions Private Limited is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each.

The issued, subscribed and paid-up capital of Xceed IT Solutions Private Limited is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each. Our subsidiary, Mobiquest Mobile Technologies Private Limited holds 99.99% of Xceed IT Solutions Private Limited's shareholding.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Xceed IT Solutions Private Limited not accounted for by our Company.

Foreign Subsidiaries

1. One97 Benin SA

Corporate Information

One97 Benin SA was incorporated under the Organization for the Harmonization of Business Law in Africa on May16, 2014. One97 Benin SA is not engaged in any active business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Benin SA is CFA Franc10,000,000 divided into 100 shares of CFA Franc 100,000 each.

The issued, subscribed and paid-up capital of One97 Benin SA is CFA Franc 10,000,000 divided into 100 shares of CFA Franc 100,000 each. Our Company through its nominees, including our subsidiary, One97 Communications Singapore Private Limited (which holds 97%), holds the entire shareholding of One97 Benin SA.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Benin SA not accounted for by our Company.

2. One97 Communications Bangladesh Pvt. Ltd.

Corporate Information

One97 Communications Bangladesh Pvt. Ltd. was incorporated under the Companies Act of 1994 of Bangladesh on September 2, 2013. The principal business of One97 Communications Bangladesh Pvt. Ltd. is, amongst others, developing and designing software products and services including telecom related software and services.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications Bangladesh Pvt. Ltd. is BDT 10,000,000 divided into 1,000,000 shares of BDT 10 each.

The issued, subscribed and paid-up capital of One97 Communications Bangladesh Pvt. Ltd. is BDT 5,537,140 divided into 553,714 shares of BDT 10 each. Our Company through its nominees, including our subsidiary, One97 Communications Singapore Private Limited (which holds 69.99% in One97 Communications Bangladesh Pvt. Ltd), holds 70% of One97 Communications Bangladesh Pvt. Ltd.'s shareholding.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Bangladesh Pvt. Ltd. not accounted for by our Company.

3. *One97 Communications FZ-LLC*

Corporate Information

One97 Communications FZ-LLC was incorporated under the Dubai Technology & Media Free Zone Private Companies Regulations 2003 as amended by Dubai Creative Cluster Private Companies Regulations 2016 on December 26, 2010. The principal business of One97 Communications FZ-LLC is, amongst others, providing value added services to the telecom operators through installation of telecom servers and undertaking all such activities as are necessary for such business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications FZ-LLC is AED 1,500,000 divided into 1,500 shares of AED 1,000 each.

The issued, subscribed and paid-up capital of One97 Communications FZ-LLC AED 1,500,000 divided into 1,500 shares of AED 1,000 each. Our Company holds the entire shareholding of One97 Communications FZ-LLC.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications FZ-LLC not accounted for by our Company.

4. *One97 Communications Malaysia Sdn. Bhd.*

Corporate Information

One97 Communications Malaysia Sdn. Bhd. was incorporated under the Companies Act, 1965 of Malaysia on January 9, 2017. The principal business of One97 Communications Malaysia Sdn. Bhd. is, amongst others, of software designing and development, including telecom related software, and provision of internet services and IT enabled services.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications Malaysia Sdn. Bhd. is MYR 400,000 divided into 400,000 shares of MYR 1 each.

The issued, subscribed and paid-up capital of One97 Communications Malaysia Sdn. Bhd. is MYR 100,000 divided into 100,000 shares of MYR 1.00 each. Our Company through our subsidiary, One97 Communications Singapore Private Limited, holds the entire shareholding of One97 Communications Malaysia Sdn. Bhd.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Malaysia Sdn. Bhd. not accounted for by our Company.

5. *One97 Communications Nigeria Ltd.*

Corporate Information

One97 Communications Nigeria Ltd. was incorporated under the Companies and Allied Matters Act, 1990 on July 27, 2010. The principal business of One97 Communications Nigeria Ltd. is, amongst others, providing value added services using voice and messaging platform to telecommunication operators and enterprise customers.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications Nigeria Ltd. is NGN 10,000,000 divided into 10,000,000 shares of NGN 1.00 each.

The issued, subscribed and paid-up capital of One97 Communications Nigeria Ltd. is NGN 10,000,000 divided into 10,000,000 shares of NGN 1.00 each. Our Company, including shares held through its nominee, holds the entire share capital of One97 Communications Nigeria Ltd.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Nigeria Ltd. not accounted for by our Company.

6. One97 Communications Rwanda Pvt. Ltd.

Corporate Information

One97 Communications Rwanda Pvt. Ltd. was incorporated under the Article 16 of law no. 07/2009 of 27/04/2009 relating to companies on August 28, 2012. It is not engaged in any active business currently.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications Rwanda Pvt. Ltd. is RWF 145,991,000 divided into 145,991 shares of RWF 1,000 each.

The issued, subscribed and paid-up capital of One97 Communications Rwanda Pvt. Ltd. is RWF 145,991,000 divided into 145,991 shares of RWF 1,000 each. The entire shareholding of One97 Communications Rwanda Pvt. Ltd. is held by our subsidiary, One97 Communications Singapore Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Rwanda Pvt. Ltd. not accounted for by our Company.

7. One97 Communications Singapore Private Limited

Corporate Information

One97 Communications Singapore Private Limited was incorporated under the Companies Act, Chapter 50 on May 31, 2011. The principal business of One97 Communications Singapore Private Limited is, amongst others, providing value added services to the telecom operators through installation of telecom servers and undertaking all such activities as are necessary for such business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the issued, subscribed and paid-up capital of One97 Communications Singapore Private Limited is SGD 9,856,100 divided into 3,356,100 shares of SGD 1 and 2610442 shares of SGD 1 each, issued at a premium of SGD 1.49 each. Our Company directly holds 56.25% of the total holding of One97 Communications Singapore Private Limited and 43.75% of the shareholding is held by our subsidiary One97 Communications India Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Singapore Private Limited not accounted for by our Company.

8. One97 Communications Tanzania Pvt. Ltd.

Corporate Information

One97 Communications Tanzania Pvt. Ltd. was incorporated under Companies Act, Chapter 212 R.E. of 2002 on January 10, 2012. The principal business of One97 Communications Tanzania Pvt. Ltd. is, amongst others, providing value added services to the telecom operators through installation of telecom servers and undertaking all such activities as are necessary for such business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Communications Tanzania Pvt. Ltd. is TZS 1,663,600,000 divided into 16,636 shares of TZS 100,000 each.

The issued, subscribed and paid-up capital of One97 Communications Tanzania Pvt. Ltd. is TZS 1,663,600,000 divided into 16,636 shares of TZS 100,000 each. Our Company through its nominees, including our subsidiary, One97 Communications Singapore Private Limited (which holds 99.99%) holds the entire shareholding of One97 Communications Tanzania Pvt. Ltd.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Communications Tanzania Pvt. Ltd. not accounted for by our Company.

9. One97 Uganda Ltd.

Corporate Information

One97 Uganda Ltd. was incorporated under the Companies Act, 2012 on October 24, 2013. One97 Uganda Ltd. is engaged in business of providing, developing, designing, importing and exporting software products and services including telecom related software and services.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Uganda Ltd. is UGX 1,332,000,000 divided into 13,320 shares of UGX 100,000 each.

The issued, subscribed and paid-up capital of One97 Uganda Ltd. is UGX 1,332,000,000 divided into 13,320 shares of UGX 100,000 each. Our Company through its nominees, including our subsidiary, One97 Communications Singapore Private Limited (which holds 99.99%) holds the entire shareholding of One97 Uganda Ltd.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Uganda Ltd. not accounted for by our Company.

10. One97 Ivory Coast SA

Corporate Information

One97 Ivory Coast SA was incorporated under Organization for the Harmonization of Business Law in Africa on March 5, 2014. It is not engaged in any active business currently.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 Ivory Coast SA is XOF 10,000,000 divided into 100 shares of XOF 100,000 each.

The issued, subscribed and paid-up capital of One97 Ivory Coast SA is XOF 10,000,000 divided into 100 shares of XOF 100,000 each. Our Company through its nominees, including our subsidiary, One97 Communications Singapore Private Limited (which holds 97%) holds the entire shareholding of One97 Ivory Coast SA.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 Ivory Coast SA not accounted for by our Company.

11. One Nine Seven Communication Nepal Private Limited

Corporate Information

One Nine Seven Communication Nepal Private Limited was incorporated under Companies Act, 2063 (2006) on November 20, 2018. The principal business of One Nine Seven Communication Nepal Private Limited is, amongst others, providing software development services.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One Nine Seven Communication Nepal Private Limited is NPR 5,000,000 divided into 50,000 shares of NPR 100 each.

One Nine Seven Communication Nepal Private Limited is NPR 5,000,000 divided into 50,000 shares of NPR 100 each. The entire shareholding of One Nine Seven Communication Nepal Private Limited is held by our Subsidiary, One97 Communications Singapore Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One Nine Seven Communication Nepal Private Limited not accounted for by our Company.

12. One Nine Seven Communications Saudi Arabia for Communication and Information Technology

Corporate Information

One Nine Seven Communications Saudi Arabia for Communication and Information Technology was incorporated under Saudi Companies Regulations issued by the Royal Decree No. (M/3) dated 28/1/1437H, and in accordance with the Saudi Foreign Investment Law issued under the Royal Decree No M/1, dated 05/01/1421H on December 25, 2019. It is currently not engaged in any active business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the issued, subscribed and paid-up capital of One Nine Seven Communications Saudi Arabia for Communication and Information Technology is SAR 550,000 divided into 10 shares of SAR 55,000 each. The entire shareholding of One Nine Seven Communications Saudi Arabia for Communication and Information Technology is held by our Subsidiary, One97 Communications Singapore Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One Nine Seven Communications Saudi Arabia for Communication and Information Technology not accounted for by our Company.

13. One Nine Seven Digital Solutions Limited

Corporate Information

One Nine Seven Digital Solutions Limited was incorporated under Companies Act, 2015 of Kenya on June 2, 2019. The principal business of One Nine Seven Digital Solutions Limited is, amongst others, providing value added services primarily using voice, messaging and digital services platforms to telecommunication operators and enterprise customers.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One Nine Seven Digital Solutions Limited is KSH 4,999,900 divided into 49,999 shares of KSH 100 each.

The issued, subscribed and paid-up capital of One Nine Seven Digital Solutions Limited is KSH 4,999,900 divided into 49,999 shares of KSH 100 each. The entire shareholding of One Nine Seven Digital Solutions Limited is held by our Subsidiary, One97 Communications Singapore Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One Nine Seven Digital Solutions Limited not accounted for by our Company.

14. One97 USA Inc.

Corporate Information

One97 USA Inc. was incorporated under the Delaware General Corporation Law on November 30, 2011. It is currently not engaged in any active business.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of One97 USA Inc. is USD 532,000 divided into 532,000 shares of USD 1.00 each.

The issued, subscribed and paid-up capital of One97 USA Inc. is USD 532,000 divided into 532,000 shares of USD 1.00 each. Our Company holds the entire shareholding of One97 USA Inc.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of One97 USA Inc. not accounted for by our Company.

15. Paytm First Games Singapore Pte. Ltd.*

Corporate Information

Paytm First Games Singapore Pte. Ltd. was incorporated under the Companies Act Chapter 50 of Singapore on January 2, 2020. The principal business of Paytm First Games Singapore Pte. Ltd. is, amongst others, business of developing, enhancing and operating an online platform through a user interface, allowing users to participate in and play various games, including but not limited to games of skill, mobile games and quizzes.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the issued, subscribed and paid-up capital of Paytm First Games Singapore Pte. Ltd is SGD 520,000 divided into 520,000 shares of SGD 1.00 each. The entire shareholding is held by our Subsidiary, Paytm First Games Private Limited.

Amount of accumulated profits or losses

In accordance with applicable accounting standards, Paytm First Games Singapore Pte. Ltd. has been identified as a joint venture of our Company in the Restated Financial Statements. Accordingly, equity accounting has been followed in the Restated Financial Statements for the investment in Paytm First Games Singapore Pte. Ltd. Our Company has recorded a proportionate share of accumulated losses to the extent of the investment made. Share of losses amounting to ₹10 million which are in excess of the investment made have not been recorded in the Restated Financial Statements since our Company does not have any constructive or legal obligation to make payment on behalf of Paytm First Games Singapore Pte. Ltd.

**Note: Paytm First Games Singapore Pte. Ltd has been identified as a joint venture of our Company in the Restated Financial Statements, in accordance with applicable accounting standards. However, pursuant to the definition of "subsidiaries" under the Companies Act, 2013, Paytm First Games Singapore Pte. Ltd has been identified as a Subsidiary of our Company , as our Company controls more than one-half of the total voting power of Paytm First Games Private Limited, and Paytm First Games Singapore Pte. Ltd is a wholly-owned subsidiary of Paytm First Games Private Limited.*

16. Paytm Labs Inc

Corporate Information

Paytm Labs Inc was incorporated under the Canada Business Corporations Act on June 19, 2013. The principal business of Paytm Labs Inc is, amongst others, research and development analytics of customer data and provision of technical support.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of Paytm Labs Inc is CAD 6,082,082 divided into 6,082,082 shares of CAD 1.00 each.

The issued, subscribed and paid-up capital of Paytm Labs Inc is CAD 6,082,082 divided into 6,082,082 shares of CAD 1.00 each. The entire shareholding of Paytm Labs Inc is held by our Subsidiary, One97 Communications Singapore Private Limited.

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Labs Inc not accounted for by our Company.

17. Paytm Technology (Beijing) Co., Ltd*

Corporate Information

Paytm Technology (Beijing) Co., Ltd. was incorporated under The Companies Law of the People's Republic of China on October 13, 2020. The principal business of Paytm Technology (Beijing) Co., Ltd. is, amongst others, developing games and technology, providing technology consulting, technology service and technology transfer of gaming platform technology, network technology and computer software in China and outside China.

Capital Structure

It is a company incorporated with investment of capital USD 14,400, with capital pending remittance and allotment. The entire shareholding is held by our Subsidiary, Paytm First Games Private Limited.

*Amount of accumulated profits or losses**

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Paytm Technology (Beijing) Co., Ltd. not accounted for by our Company.

**Note: Paytm Technology (Beijing) Co., Ltd have been identified as a joint venture of our Company in the Restated Financial Statements, in accordance with applicable accounting standards. However, pursuant to the definition of "subsidiaries" under the Companies Act, Paytm Technology (Beijing) Co., Ltd has been identified as a Subsidiary of our Company, as our Company controls more than one-half of the total voting power of Paytm First Games Private Limited, and Paytm Technology (Beijing) Co., Ltd. is a wholly-owned subsidiary of Paytm First Games Private Limited.*

OUR MANAGEMENT

Under our Articles of Association, our Company is authorised to have up to eight Directors. Effective from the date of listing and trading of our Equity Shares pursuant to this Offer, Part B of our Articles of Association shall stand automatically terminated and simultaneously, Part A of our Articles of Association will become effective, in accordance with which our Company will be authorised to have up to 15 Directors. As on the date of this Draft Red Herring Prospectus, we have eight Directors on our Board, comprising one Executive Director, three Non-Executive Directors and four Independent Directors, including one woman Independent Director. The Chairman of our Board, Mr. Vijay Shekhar Sharma, is an Executive Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
Mr. Vijay Shekhar Sharma *Date of birth:* July 15, 1978 *Designation:* Managing Director and Chief Executive Officer *Address:* S-491, Second Floor, Block-S, Greater Kailash 2, Delhi 110048, India *Occupation*: Business *Term:* Five years with effect from December 19, 2017 *Period of directorship:* Since incorporation *DIN:* 00466521	43	*Indian Companies* • Aryan Ayurveda Private Limited • Paytm E-Commerce Private Limited • Paytm General Insurance Limited • Paytm Life Insurance Limited • Paytm Money Limited • Paytm Payments Bank Limited • VSS Holdings Private Limited • VSS Investco Private Limited *Foreign Companies* Nil
Mr. Douglas Feagin *Date of birth:* February 15, 1966 *Designation:* Additional Director (*Nominee of Antfin (Netherlands) Holding B.V.*) *Address:* 10605, Fife Avenue, Vero Beach, Florida 32963, United States of America *Occupation*: Senior Vice President, Ant Group *Term:* To be regularised in the ensuing annual general meeting *Period of directorship:* Since July 5 2021 *DIN:* 07868696	55	*Indian Companies* • Alipay (India) Private Limited • Zomato Limited *Foreign Companies* • 10 x 1000 Limited (*formerly known as Ant Small and Micro Financial Services Group Company Limited*) • AFSTH Holding Company Limited • AFSTH Limited • Alipay (Australia) Pty. Ltd. • Alipay (Canada) Inc. • Alipay Connect (Hong Kong) Limited • Alipay Connect Pte. Ltd. • Alipay (Europe) Limited S.A. • Alipay Global Markets (Singapore) Pte. Ltd. • Alipay (Hong Kong) Holding Limited • Alipay Innovation Pte. Ltd. • Alipay Japan Co. Ltd. • Alipay Korea Co. Ltd • Alipay Labs (Singapore) Pte. Ltd. • Alipay (Macau) Holding Limited

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
		• Alipay (Macau) Investment Limited • Alipay Malaysia Sdn. Bhd. • Alipay Merchant Services Pte. Ltd. • Alipay Singapore Holding Pte. Ltd. • Alipay Singapore Investment Holding Pte. Ltd. • Alipay (Thailand) Co. Ltd. • Alipay Turkey Teknoloji Hizmetlen Anonim Sirketi • Alipay (UK) Limited • Alipay US, Inc. • Alipay US-Nevada Inc. • Alipay+ Pte. Ltd. • Ant Financial Holding Ltd. • Antfin Singapore Holding Pte. Ltd. • AntFin Technology Co., Limited • Ant Global Remittance Pte. Ltd. • Ant International Co. Ltd. • Ant Lending Global Company Limited • Ant Services (Singapore) Holdings Pte. Ltd. • Alipay Hong Kong Limited • Ant Unicorn Limited • API Holdings Limited • API (Hong Kong) Investment Limited • Golden Peak Investment Holding Company Limited • Matrix Acquisition Corp. • M-Pay Trade and Technology Services Joint Stock Company
Mr. Munish Varma** *Date of birth:* September 25, 1971 *Designation:* Non-Executive Director (*Nominee of SVF*) *Address:* 36, Hamilton Terrace, St. John Wood, London, United Kingdom *Occupation*: Professional *Term:* Liable to retire by rotation *Period of directorship:* Since March 1, 2019 *DIN:* 02442753	49	*Indian Companies* • Brainbees Solutions Private Limited • Delhivery Private Limited • Oravel Stays Private Limited • PB Fintech Limited • SVF Investment Advisers (India) Private Limited *Foreign Companies* • OakNorth Holdings Limited • SB Investment Advisers (AD) Limited • SVF Game (Cayman) Limited • SVF Investment Corp. 2 • SVF India Holdings (UK) Limited

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
Mr. Ravi Chandra Adusumalli[***] *Date of birth:* January 14, 1976 *Designation:* Non-Executive Director (*Nominee of SAIF and Elevation Capital, collectively*) *Address:* 1045, Quarry Mountain Lane Park City, Utah, United States of America *Occupation*: Professional *Term:* Liable to retire by rotation *Period of directorship:* Since September 25, 2020 *DIN:* 00253613	45	*Indian Companies* • Capfloat Financial Services Private Limited • Le Travenues Technology Private Limited • Nextgen Project Management Systems Private Limited • Paytm E-Commerce Private Limited • Rivigo Services Private Limited • Tracxn Technologies Private Limited • Urbanclap Technologies India Private Limited *Foreign Companies* • SAIF Partners India IV Limited • SAIF India IV FII Holdings Limited • SAIF Partners India IV Holdings Limited • SAIF Partners India IV Investors Limited • Elevation Capital V Limited • Elevation Capital V Holdings Limited • Elevation Capital V FII Holdings Limited • Elevation Capital V Management • Elevation Capital VI Limited • Elevation Capital VI FII Holdings Limited • Elevation Capital VI Holdings Limited • Elevation Capital VI Management • Elevation Capital VII Management • Elevation Capital VII Limited • Elevation Capital VII FPI Holdings Limited • Elevation Capital VII Holdings Limited • Elevation Company Limited • Think Elevation Capital Growth Opportunities • Think Elevation Capital LLC • Software Is Correct Inc.
Mr. Mark Schwartz *Date of birth:* June 15, 1954 *Designation:* Independent Director *Address:* 453 Harris Road, Bedford Hills, New York 10507, United States of America *Occupation*: Professional *Term:* Five years with effect from August 31, 2017 *Period of directorship:* Since August 31, 2017[*] *DIN:* 07634689	67	*Indian Companies* Nil *Foreign Companies* Goldman Sachs
Ms. Pallavi Shardul Shroff *Date of birth:* April 22, 1956	65	*Indian Companies* • Aavanti Realty Private Limited

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
Designation: Independent Director *Address:* S-270, Greater Kailash Part-II, Delhi – 110048, India *Occupation*: Professional *Term:* Five years with effect from February 8, 2021 *Period of directorship:* Since February 8, 2021 *DIN:* 00013580		• Amarchand Mangaldas Properties Private Limited • Amarchand Towers Property Holdings Private Limited • Apollo Tyres Limited • Asian Paints Limited • Baghbaan Properties Private Limited • CSEP Research Foundation • First Commercial Services India Private Limited • First Full Services Private Limited • First Universal Virtual International Arbitration Centre Private Limited • InterGlobe Aviation Limited • Juniper Hotels Private Limited • PSNSS Properties Private Limited • PVR Limited • Trident Limited • UVAC Centre (India) Private Limited *Foreign Companies* Nil
Mr. Ashit Lilani *Date of birth:* April 9, 1966 *Designation:* Independent Director (Additional Director) *Address:* 3786 Grove Avenue, Palo Alto, California 94303 United States *Occupation*: Business *Term:* To be regularised in the ensuing annual general meeting *Period of directorship:* Since July 5, 2021 *DIN:* 00766821	55	*Indian Companies* • Amishi Consumer Technologies Private Limited • Lendingkart Technologies Private Limited • Mountain Trail Foods Private Limited • Nourish Organic Foods Private Limited • Veeba Food Services Private Limited *Foreign Companies* • Alteria Capital Holdings • Alteria Capital (Mauritius) Fund I Limited • Genepath Diagnostics Inc. • ICP Holdings I • One Hundred Feet, Inc • Saama Capital II Sponsor Vehicle • Saama Capital II Limited • Saama Capital III Limited • Saama Capital IV Limited • Saama Capital Management Limited • Saama Capital Opportunities Management LLC • Saama Capital Opportunities PCC • Saama Capital US Advisors • SICP Management Co. • Zeni Inc

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Age (years)	Other Directorships
Mr. Neeraj Arora *Date of birth:* October 30, 1978 *Designation:* Independent Director (Additional Director) *Address:* 190, Island Dr Palo Alto, California, 94301, United States of America *Occupation*: Founder *Term:* To be regularised in the ensuing annual general meeting *Period of directorship:* Since July 11, 2021 *DIN:* 07221836	42	*Indian Companies* Nil *Foreign Companies* • HalloApp Inc • Vivino Inc

**Appointed as an Additional Director of our Company with effect from October 21, 2016 until the next ensuing general meeting by resolution dated October 21, 2016 passed by our Board. Regularised pursuant to resolution dated August 31, 2017 for a period of five years from August 31, 2017 till August 30, 2022.*
***Mr. Vikas Agnihotri has been appointed as an Alternate Director to Mr. Munish Varma pursuant to the resolution dated July 5, 2021, passed by our Board.*
****Mr. Vivek Kumar Mathur has been appointed as an Alternate Director to Mr. Ravi Chandra Adusumalli pursuant to the resolution dated July 11, 2021, passed by our Board.*

Arrangement or understanding with major Shareholders, customers, suppliers or others –

Except for (i) Mr. Douglas Feagin, nominated by API, (ii) Mr. Munish Varma, nominated by SVF, and (iii) Mr. Ravi Chandra Adusumalli, nominated by SAIF and Elevation Capital, collectively, in terms of the respective rights of (i) API, (ii) SVF; and (iii) SAIF and Elevation Capital, collectively, under the SHA, read with the SHA Amendment Agreement, none of our Directors has been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details in relation to the SHA and the SHA Amendment Agreement, see "***History and Certain Corporate Matters – Shareholders' Agreements***" on page 209.

Brief profiles of our Directors

Mr. Vijay Shekhar Sharma is the Managing Director and Chief Executive Officer of our Company and the Chairman of our Board. He holds a bachelor's degree in electronics and communications from the Delhi College of Engineering. Mr. Sharma is the founder of the Company and oversees the Company's key strategic efforts including engineering, design and marketing. Mr. Sharma has featured in '2017 Time 100', the list of 'hundred most influential people in the world' by Time magazine. He has received multiple industry honours such as the 'Entrepreneur of the Year' award in 2018 by All India Management Association, 'Entrepreneur of the Year' at ET Awards for Corporate Excellence' in 2016 and 'GQ Man of the Year' in 2016.

Mr. Munish Varma is a Non-Executive Director of our Company and a nominee of SVF on our Board. He has completed his master's in business administration from Cornell University. He currently serves as a managing partner at SoftBank Investment Advisers. He was also associated with Deutsche Bank AG.

Mr. Ravi Chandra Adusumalli is a Non-Executive Director of our Company and a nominee of SAIF and Elevation Capital on our Board. Mr. Adusumalli holds a bachelor's degree in economics and government from Cornell University. He is currently the managing partner of Elevation Capital.

Mr. Douglas Feagin is an Additional Director of our Company and a nominee of API on our Board. He holds a bachelor's degree of arts from the University of Virginia and a master's degree in business administration from the Harvard Business School. He was previously associated as a managing director in the investment banking division of the Goldman Sachs Group, Inc.. He currently serves as senior vice president of the Ant group.

Mr. Mark Schwartz is an Independent Director of our Company. He holds a bachelor's degree in arts and a master's degree in business administration from the Harvard University. Mr. Schwartz has served as a vice chairman and participating managing director of the Goldman Sachs Group, Inc. and chairman of Goldman Sachs Asia Pacific.

Ms. Pallavi Shardul Shroff is an Independent Director of our Company. Ms. Shroff holds a bachelors' degree in law and a master's degree in management studies from the University of Bombay. She currently serves as the managing partner of Shardul Amarchand Mangaldas & Co. Mrs. Shroff was recently conferred the 'Lifetime Achievement Award' at the Chambers India Awards 2019 and also been recognised as one of the 'most powerful women in Indian business' by Business Today, seven years in succession.

Mr. Ashit Lilani is an Independent Director (Additional Director) of our Company. He holds a bachelor's degree in commerce from the Bangalore University and a master's degree in business administration from Philadelphia College of Textiles and Science. He is the managing partner and co-founder of Saama Capital.

Mr. Neeraj Arora is an Independent Director (Additional Director) of our Company. He holds a bachelor's degree of technology in mechanical engineering from the Indian Institute of Technology, Delhi and has completed a post graduate program in management from the Indian School of Business. He was previously associated with Google Inc. and Whatsapp, Inc. He is the founder of halloapp, Inc.

Relationship between Directors and Key Managerial Personnel

None of our Directors are related to each other or to the Key Managerial Personnel of our Company.

Terms of appointment of our Executive Director

Mr. Vijay Shekhar Sharma

Mr. Vijay Shekhar Sharma was appointed on our Board at the incorporation of our Company. He was appointed as the Managing Director of our Company with effect from December 20, 2007. Most recently, he was reappointed as the Managing Director of our Company for a period of five years with effect from December 17, 2017, pursuant to resolutions passed by our Board and Shareholders on August 5, 2017 and August 31, 2017, respectively.

Our Board on July 11, 2021, revised the terms of Mr. Vijay Shekhar Sharma's employment agreement. In terms of the revised employment agreement, Mr. Vijay Shekhar Sharma was re-designated as the Managing Director and Chief Executive Officer. He is also entitled to a separation compensation in case of 'termination without cause', which will include a payment of an amount equal to his total remuneration payable for a period of 12 months (this clause is subject to approval the Shareholders).

Pursuant to the Shareholders' resolution dated June 30, 2021, Mr. Sharma is entitled to the following remuneration and perquisites for Financial Year 2022:

Remuneration: ₹ 40.0 million per annum

Perquisites: Mr. Sharma is eligible to receive the following perquisites –

a. Two vehicles;

b. Fuel expenses and toll charges;

c. Accommodation on lease;

d. Expenses related to electricity, water, maintenance, etc., of the accommodation provided by the Company;

e. Driver's salary and overtime. Further, night charges of drivers shall be paid additionally;

f. Vehicle's insurance;

g. Expenses related to vehicle's maintenance;

h. Communication expenses which includes reimbursement of mobile bill, data card bill, internet bill, etc.;

i. Reimbursement related to meal expenditure;

j. Travel expenses;

k. Medical insurance for him and his family;

l. Leave travel assistance as per rules of the Company, value not exceeding one month's salary; and

m. Contribution to provident fund, superannuation fund or annuity fund, as per the rules of the Company. Gratuity to be payable as per the rules of the Company. Encashment of leaves at the end of the tenure will not be included in the computation of the ceiling on perquisites.

He received gross remuneration of ₹ 34.2 million in FY 2021 from our Company.

Compensation paid to our Non-Executive Directors

Our Non-Executive Directors are not entitled to receive any remuneration or compensation (including sitting fees) from the Company and accordingly no remuneration has been paid to our Non-Executive Directors in Fiscal 2021.

Sitting fees and commission paid to our Independent Directors

Our Independent Directors are not entitled to receive any sitting fees or commission, and accordingly no remuneration has been paid to our Independent Directors in FY 2021.

Remuneration paid or payable to our Directors from our Subsidiaries or Associate

None of our Directors has been paid any remuneration from our Subsidiaries or our Associates, including any contingent or deferred compensation accrued for FY 2021.

Bonus or profit sharing plan for the Directors

Our Company does not have any bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Our Articles of Association do not require our Directors to hold any qualification shares.

Other than as disclosed under "***Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" on page 108, none of our Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

Service contracts with Directors

There are no service contracts entered into by our Directors with the Company which provide for benefits upon termination of employment, other than statutory benefits.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company payable to them for attending meetings of our Board or committees thereof.

Our Directors may be interested to the extent of Equity Shares, stock options if any, held by them (together with other distributions in respect of Equity Shares), or held by the entities in which they are they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares. For further details regarding shareholding of our Directors, see "***Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" on page 108.

Further, Mr. Vijay Shekhar Sharma is interested in our Company to the extent of the rights held by him to nominate Directors on the Board of our Company, pursuant to the SHA read with the SHA Amendment Agreement, and by the virtue of being a director on the board of and a shareholder of our Subsidiaries. Further, our nominee Directors, Mr. Douglas Feagin, Mr. Munish Varma and Mr. Ravi Chandra Adusumalli may be deemed to be interested in our Company to the extent of shareholding and nomination rights held by the Shareholders who have nominated them on our Board. Further, it is proposed for our Company to provide approximately ₹4,920 million in the form of optionally convertible debentures ("**OCDs**") to VSS Holdings Private Limited ("**VSS Holdco**"), a company which is 100% owned by Mr. Vijay Shekhar Sharma. Further, Mr. Vijay Shekhar Sharma holds 51% of shareholding of Paytm Payments Bank Limited, in which we own 49% of shareholding. For details, see "***History and Certain Corporate Matters – Shareholders' Agreements***" on page 209.

Loans from Directors

No loans have been availed by our Directors from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Interest in land and property

None of our Directors are interested in any property acquired or proposed to be acquired by our Company or in any transaction for the acquisition of land, construction of building and supply of machinery.

Interest in promotion or formation of our Company

Mr. Vijay Shekhar Sharma is our founder and was an initial subscriber to our MoA.

Our Directors have no interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus.

Business interest

Except as stated in the sections titled "***Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions***" on page 326, our Directors do not have any other business interest in our Company.

Confirmation in relation to RBI Circular dated July 1, 2016

Neither our Company, nor any of our Directors have been declared as fraudulent borrowers by RBI in terms of the RBI circular dated July 1, 2016.

Directorships of Directors in listed companies

None of our Directors are, or for the five years prior to the date of this Draft Red Herring Prospectus, have been on the board of directors of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.

None of our Directors has been or is a director on the board of directors of any listed company which has been /was delisted from any stock exchange, during his/her tenure.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Mr. Amitabh Kumar Singhal	March 1, 2019	Cessation of directorship
Mr. Kabir Misra	March 1, 2019	Cessation of directorship
Mr. Munish Varma	March 1, 2019	Appointment as an Additional Director*
Mr. Saurabh Jalan	March 1, 2019	Cessation of directorship
Mr. Todd Combs	May 16, 2019	Appointment as an Additional Director**
Mr. Joseph Chung Tsai	May 16, 2019	Cessation of directorship
Mr. Ting Hong Kenny Ho	May 16, 2019	Appointent as an Alternate Director
Mr. Michael Yao	May 16, 2019	Appointment as an Additional Director**
Mr. Chen Yan	May 21, 2019	Cessation of directorship
Mr. Guoming Chen	June 6, 2019	Appointment as an Alternate Director
Mr. Michael Yao	June 30, 2021	Cessation of directorship
Mr. Todd Combs	June 30, 2021	Cessation of directorship
Mr. Ting Hong Kenny Ho	June 30, 2021	Cessation of directorship
Mr. Jing Xiandong	July 5, 2021	Cessation of directorship
Mr. Guoming Chen	July 5, 2021	Cessation of directorship
Mr. Douglas Feagin	July 5, 2021	Appointment as an Additional Director
Mr. Ashit Lilani	July 5, 2021	Appointment as an Independent Director***
Mr. Vikas Agnihotri	July 5, 2021	Appointment as an Alternate Director
Mr. Neeraj Arora	July 11, 2021	Appointment as an Independent Director***
Mr. Mukul Arora	July 11, 2021	Cessation of directorship
Mr. Vivek Kumar Mathur	July 11, 2021	Appointment as an Alternate Director

**Regularised pursuant to resolution dated March 22, 2019 passed by our Shareholders*
*** Regularised pursuant to resolution dated September 30, 2019 passed by our Shareholders*
****To be regularised in the ensuing annual general meeting*

Borrowing Powers

Pursuant to our Articles of Association, our Board may from time to time, at its discretion, raise or borrow funds or any sums of money for and on behalf of the Company from the Shareholders or from other persons, companies or banks, subject to applicable provisions of the Companies Act, 2013.

Corporate Governance

As on the date of this Draft Red Herring Prospectus, we have eight Directors on our Board, comprising of one Executive Director, three Non-Executive Directors and four Independent Directors, including one woman Independent Director. The Chairman of our Board, Mr. Vijay Shekhar Sharma, is an Executive Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Board committees

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act, 2013:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Stakeholders' Relationship Committee;

(d) Corporate Social Responsibility Committee; and

(e) Risk Management Committee

Audit Committee

The Audit Committee was last reconstituted pursuant to a meeting of our Board held on July 5, 2021. The Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently consists of:

(a) Mr. Mark Schwartz (*Chairperson*)

(b) Mr. Ravi Chandra Adusumalli (*Member*); and

(c) Ms. Pallavi Shardul Shroff (*Member*).

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference: The terms of reference of the Audit Committee shall include the following:

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference;
2. to seek information from any employee;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

1. oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
2. recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions; and

g. Modified opinion(s) in the draft audit report.

5. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

    - ***Explanation:*** *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

9. scrutiny of inter-corporate loans and investments;

10. valuation of undertakings or assets of the Company, wherever it is necessary;

11. evaluation of internal financial controls and risk management systems;

12. reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. discussion with internal auditors of any significant findings and follow-up thereon;

15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. reviewing the functioning of the whistle blower mechanism;

19. monitoring the end use of funds raised through public offers and related matters; overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

20. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

21. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and

22. considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

23. carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Additionally, the Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;

2. statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses;

5. the appointment, removal and terms of remuneration of the chief internal auditor; and

6. statement of deviations in terms of the SEBI Listing Regulations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

    b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was last reconstituted pursuant to a meeting of our Board held on July 11, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

(a) Mr. Ashit Lilani (*Chairperson*);

(b) Mr. Douglas Lehman Feagin (*Member*);

(c) Mr. Neeraj Arora (*Member*); and

(d) Mr. Ravi Chandra Adusumalli (*Member*).

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee shall include the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial

Personnel and other employees ("**Remuneration Policy**");

2. Formulation of criteria for evaluation of performance of independent directors and the Board;

3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Recommend to the Board, all remuneration, in whatever form, payable to senior management;

7. The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that —

    a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

8. perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended, including the following:

    a. administering ESOP-2019 (the "**Plan**");

    b. determining the eligibility of employees to participate under the Plan;

    c. granting options to eligible employees and determining the date of grant;

    d. determining the number of options to be granted to an employee;

    e. determining the exercise price under the Plan; and

    f. construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

9. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

    a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

    b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

10. carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was last reconstituted by a resolution of our Board dated July 5, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

(a) Ms. Pallavi Shardul Shroff (*Chairperson*);

(b) Mr. Ashit Lilani (*Member*); and

(c) Mr. Douglas Lehman Feagin (*Member*).

Scope and terms of reference: The terms of reference of the Stakeholders' Relationship Committee shall include the following:

1. considering and looking into various aspects of interest of shareholders, debenture holders and other security holders
2. resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
3. giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
5. review of measures taken for effective exercise of voting rights by shareholders;
6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
8. carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was last reconstituted pursuant to the meeting of the Board held on July 5, 2021. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Committee currently consists of:

(a) Mr. Vijay Shekhar Sharma (*Chairperson*);

(b) Mr. Ravi Chandra Adusumalli (*Member*); and

(c) Mr. Mark Schwartz (*Member*).

The Corporate Social Responsibility Committee is authorized to perform the following functions:

1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, as amended;

2. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

3. monitor the corporate social responsibility policy of the Company and its implementation from time to time; and

4. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

Risk Management Committee

Our Risk Management Committee was constituted pursuant to the meeting of the Board held on July 5, 2021. The Risk Management Committee is in compliance with Regulation 21 of SEBI Listing Regulation. The Risk Management Committee currently consists of:

(a) Mr. Mark Schwartz (*Chairperson*);

(b) Mr. Vijay Shekhar Sharma (*Member*);

(c) Ms. Pallavi Shardul Shroff (*Member*);

(d) Mr. Ashit Lilani (*Member*); and

(e) Mr. Deepankar Sanwalka (*Member*)

The Risk Management Committee is authorized to perform the following functions:

1. Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;

2. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

5. Keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken; and

6. Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

7. To implement and monitor policies and/or processes for ensuring cyber security; and

8. Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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Management Organisation Chart

Key Managerial Personnel

In addition to Mr. Vijay Shekhar Sharma, our Managing Director and Chief Executive Officer, whose details are provided in "***– Brief Profiles of our Directors***" on page 233, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

Mr. Madhur Deora is the President and Group Chief Financial Officer of our Company. He has been associated with our Company since October 3, 2016. He holds a bachelor's degree of science in economics from the Wharton School of the University of Pennsylvania. He was previously associated with Citigroup Global Markets India Private Limited. In Fiscal 2021, he received an aggregate compensation of ₹22.9 million. Further, for FY 2021, ₹1.3 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Manmeet Singh Dhody is our Chief Technology Officer, Payments. He has been associated with our Company since April 1, 2020. He holds bachelor's degree in engineering (computer) from the University of Delhi and a master's degree in business administration from Panjab University. He was previously associated with Amazon Development Centre India Private Limited and Microsoft India (R&D) Private Limited. In FY 2021, he received an aggregate compensation of ₹31.0 million. Further, for FY 2021, ₹1.5 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Vikas Garg is the Chief Financial Officer of our Company. In his current tenure, he has been associated with our Company since May 21, 2014 and was previously associated with our Company from August 25, 2008 to September 28, 2012. He holds a bachelor's degree in commerce from Maharshi Dayanand University, Rohtak. Further, he has been certified as a chartered accountant by the Institute of Chartered Accountants of India. He was previously associated with ICICI Bank Limited and ibibo Web Private Limited. In FY 2021, he received an aggregate compensation of ₹11.2 million (which included ₹ 0.2 million for FY 2020, payable in FY 2021). Further, for FY 2021, ₹0.7 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Sudhanshu Gupta is the Chief Operating Officer of Paytm First Games Private Limited, our Subsidairy. He has been associated with Paytm First Games Private Limited since June 1, 2018. He holds a bachelor's degree in science from the University of Delhi and a post-graduate diploma in business management from Management Development Institute, Gurugram. In FY 2021, he received an aggregate compensation of ₹ 13.9 million (which included ₹ 1.3 million for FY 2020, payable in FY 2021). Further, for FY 2021, ₹ 1.7 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Bhavesh Gupta is the Chief Executive Officer of Lending Business of our Company. He has been associated with our Company since August 4, 2020. He holds a master's degree in business administration from the Institute of Management Studies, Devi Ahilya Vishwavidyalaya, Indore. He was previously associated with Clix Capital Services Private Limited and IDFC Bank Limited. In FY 2021, he received an aggregate compensation of ₹22.2 million. Further, for FY 2021, ₹1.0 million has accrued as the performance linked incentive, which will be payable in FY 2022.

Mr. Deepankar Sanwalka is the President - Compliances and Operations of our Company. He has been associated with our Company since May 3, 2021. He holds a bachelor's degree in commerce from University of Delhi. He is a member of the Institute of Chartered Accountants of India. Since he joined our Company in FY 2022, no compensation was payable to him in FY 2021.

Ms. Renu Satti is the Chief Operating Officer of Offline Payments of our Company. She has been associated with our Company since October 11, 2006. She holds a bachelor's degree in commerce from the University of Delhi. She was previously associated with Manpower Services India Private Limited. In FY 2021, she received an aggregate compensation of ₹11.9 million. Further, for FY 2021, ₹0.6 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Praveen Kumar Sharma is the Chief Operating Officer of Online Payments of our Company. He has been associated with our Company since September 2, 2019. He holds a bachelor's degree in technology (mechanical engineering) from Maharshi Dayanand University, Rohtak and a post-graduate diploma in communications from Mudra Institute of Communications, Ahmedabad. He was previously associated with Google Asia Pacific Pte. Ltd. In FY 2021, he received an aggregate compensation of ₹24.0 million. Further, for FY 2021, ₹1.0 million has accrued as performance linked incentive, which will be payable in FY 2022.

Mr. Harinderpal Singh Takhar is the Chief Executive Officer of Paytm Labs Inc, our Subsidiary. He has been associated with Paytm Labs Inc. since June, 2013. He holds a bachelor's degree in engineering (computer) from the University of Delhi and a master's degree in business administration from INSEAD. He was previously associated with Paytm Mobile Solutions Private Limited, Research In Motion Limited and Nokia Corporation. In FY 2021, he received an aggregate compensation of ₹16.2 million from Paytm Labs Inc, our Subsidiary.

Mr. Amit Khera is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since April 22, 2021. He holds a bachelor's degree in commerce from the University of Delhi. Further, he also holds a bachelor's degree in law from the University of Delhi and a master's degree in business laws from National Law School of India University, Bangalore. He is an associate of the Institute of Company Secretaries of India. He has previously been associated with Bharti Airtel Limited and FieldFresh Foods Private Limited. Since he joined our Company in FY 2022, no compensation was payable to him in FY 2021.

Contingent or deferred compensation

There is no contingent or deferred compensation payable to our Key Managerial Personnel, which does not form part of their remuneration.

Status of Key Managerial Personnel

Except for Mr. Harinderpal Singh Takhar and Mr. Sudhanshu Gupta, who are employed with Paytm Labs Inc. and Paytm First Games Private Limited, our Subsidiaries, all our Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

None of our Key Managerial Personnel have any family relationship with each another.

Bonus or profit sharing plan for the Key Managerial Personnel

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes performance linked incentive payments to the Key Managerial Personnel, in accordance with their terms of appointment.

Shareholding of Key Managerial Personnel

Other than as provided under "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel***" on page 108, none of our Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

Interest of Key Managerial Personnel

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel may be interested to the extent of employee stock options that may be granted to them from time to time under the ESOP-2019 and other employee stock option schemes formulated by the Company from time to time. The details of the shareholding of our Key Managerial Personnel and the ESOPs granted to our Key Managerial Personnel, outstanding as on the date of this Draft Red Herring Prospectus, are set below:

S. No.	Key Managerial Personnel	Number of Equity Shares held	Number of ESOPs held
1.	Mr. Madhur Deora	113,640	974,750
2.	Mr. Manmeet Singh Dhody	-	83,330
3.	Mr. Vikas Garg	468,420	-
4.	Mr. Sudhanshu Gupta	174,750^	13,970
5.	Mr. Bhavesh Gupta	-	138,890
6.	Mr. Deepankar Sanwalka	-	152,780
7.	Ms. Renu Satti	278,790^	-
8.	Mr. Praveen Kumar Sharma	13,880	125,010
9.	Mr. Harinderpal Singh Takhar	50,000	1,256,560
10.	Mr. Amit Khera	-	15,560

^*These include Equity Shares under allotment for the respective Key Managerial Personnel*

No loans have been availed by our Key Managerial Personnel from our Company as on the date of this Draft Red Herring Prospectus. For details in relation to the interest of Mr. Vijay Shekhar Sharma in our Company, refer to ***"– Interest of Directors"*** above.

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel has been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

Changes in Key Managerial Personnel during the last three years

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of the Key Managerial Personnel	Date of Change	Reasons
Mr. Vimal Kumar Chawla	May 8, 2019	Ceased to be the Company Secretary
Mr. Madhur Deora*	September 4, 2019	Ceased to be the Chief Financial Officer
Mr. Vikas Garg	March 1, 2020	Appointed as the Chief Financial Officer

Name of the Key Managerial Personnel	Date of Change	Reasons
Mr. Arvind Singhania	March 11, 2020	Appointed as the Company Secretary
Mr. Arvind Singhania	May 28, 2021	Ceased to be the Company Secretary
Mr. Amit Khera	May 28, 2021	Appointed as the Company Secretary

**Appointed as Group Chief Financial Officer on October 9, 2020*

Employee stock option and stock purchase schemes

For details of the employee stock option schemes instituted by our Company, see "***Capital Structure – Notes to Capital Structure – Employee Stock Option Schemes***" on page 109.

Payment or Benefit to Key Managerial Personnel of our Company

No non salary related amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

OUR PRINCIPAL SHAREHOLDERS

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act. Consequently, there are no members forming part of the 'promoter group' in terms of the SEBI ICDR Regulations.

Principal Shareholders

1. *Shareholders who control 15% or more of the voting rights in our Company*

   As on the date of this Draft Red Herring Prospectus, except for API and SVF (through SVF India Holdings (Cayman) Limited and SVF Panther (Cayman) Limited), no Shareholder controls 15% or more of the voting rights in our Company. For further details, see "***Capital Structure – Notes to the Capital Structure – Details of shareholding of the major Shareholders of our Company***" and "***History and Certain Corporate Matters – Shareholders' agreements***" on pages 100 and 201, respectively.

2. *Persons who have the right to appoint director(s) on our Board*

   Pursuant to the terms of the SHA, read with the SHA Amendment Agreement, so long as (a) the Founder either (x) directly or indirectly holds at least 3,100,000 equity shares of face value ₹10 each on a fully diluted basis (which shall in no event be less than 2.5% of the issued and subscribed share capital of the Company on a fully diluted basis), or (y) continues to hold an executive position in the Company ("**Founder Director Threshold**"), the Founder shall be entitled to nominate one (1) Director on the Board (the "**Founder Director**"), provided that if the Founder fails to meet either (but not both) of the conditions of the Founder Director Threshold at any time, the Founder himself shall be the Founder Director, and (b) so long as each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), respectively hold at least 10% of the Equity Shares ("**Shareholder Director Threshold**") on a fully diluted basis, each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), shall respectively and separately be entitled to nominate a Director each on the Board (each, a "**Nominee Director**"). If any of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital) fail to meet the Shareholder Director Threshold, then it shall not impact the right to nominate Director on the Board of others who continue to meet or exceed the Shareholder Director Threshold. In determining the Shareholder Director Threshold with reference to API, the shareholding of API and any affiliates of API which hold Equity Shares at that time shall be aggregated, and API shall, at all times, subject to holding the Shareholder Director Threshold, be entitled to assign/ transfer its right to appoint the nominee director, to an affiliate which pursuant to requisite approvals from governmental authorities, if required under applicable law, holds Equity Shares at the time of such assignment/ transfer.

   Further, in terms of Part A of our Articles of Association, after the listing of the Equity Shares on the BSE Limited and/ or the National Stock Exchange of India Limited pursuant to the Offer, subject to applicable laws and the approval of the Shareholders by way of a special resolution in the first general meeting convened after the closing of the initial public offering, (i) so long as the Founder meets the Founder Director Threshold, the Founder shall be entitled to nominate the Founder Director, and (ii) so long as each of (i) API, (ii) SVF and/or (iii) SAIF and Elevation Capital (jointly and not individually, in the case of SAIF and Elevation Capital), holds the Shareholder Director Threshold, they shall continue to have the right to nominate their respective Nominee Directors.

   For details, see "***History and Certain Corporate Matters – Shareholders' Agreements***", "***Our Management***" and "***Main Provisions of the Articles of Association***" on pages 201, 229 and 468, respectively.

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than Subsidiaries) with which there are related party transactions as disclosed in the Restated Financial Statements; and (ii) other companies considered material by our Board pursuant to the Materiality Policy.

In relation to (i) above, Paytm First Games Private Limited, a joint venture of the Company in accordance with Ind AS, has been identified as a subsidiary of the Company for the purpose of disclosures in this Draft Red Herring Prospectus, in accordance with the SEBI ICDR Regulations (and the Companies Act, 2013). Accordingly, Paytm First Games Private Limited has not been identified as a group company in this Draft Red Herring Prospectus.

Accordingly, as on the date of this Draft Red Herring Prospectus, our Board has identified 11 Group Companies, the details of which are set forth below:

1. Alipay Labs (Singapore) Pte Ltd
2. Alipay Singapore E-Commerce Private Limited
3. Eatgood Technologies Private Limited
4. Infinity Transoft Solutions Private Limited
5. Paytm Financial Services Limited
6. Paytm General Insurance Limited
7. Paytm Insuretech Private Limited
8. Paytm Life Insurance Limited
9. Paytm Payments Bank Limited
10. SAIF Partners India IV Limited
11. Socomo Technologies Private Limited

Blueface Technologies Private Private Limited has not been considered as a Group Company in accordance with the SEBI ICDR Regulations, as it ceased being a related party of our Company with effect from February 10, 2020. For details see, "Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions**" on page 326.*

Details of our Group Companies

I. Top five Group Companies

Details of our top five Group Companies, which are our largest unlisted Group Companies based on turnover calculated on a standalone basis in FY 2021, are as follows:

1. ***Paytm Payments Bank***

Corporate Information and nature of business

Paytm Payments Bank was incorporated as a public limited company on August 22, 2016 under Companies Act, 2013 with the Registrar of Companies National Capital Territory of Delhi and Haryana, at New Delhi ("**Registrar of Companies**"). Its CIN is U65999DL2016PLC304713. Paytm Payments Bank is engaged in the business of operating a payments bank in India. For details in relation to the regulatory approvals obtained by Paytm Payments Bank, see "***Government and Other Approvals - Regulatory approvals obtained by our Group Company, Paytm Payments Bank Limited***" on page 415.

Financial Information

The financial information derived from the audited standalone financial results of Paytm Payments Bank for Financial Years 2019, 2020 and 2021 are set forth below:

(in ₹ million, except as otherwise stated)

Particulars	FY 2019	FY 2020	FY 2021
Equity capital	4,000.00	4,000.00	4,000.00
Other Equity	268.34	452.11	811.74
Sales	16,681.61	21,106.11	19,874.52
Profit/(loss) after tax	649.38	27.17	178.77

Particulars	FY 2019	FY 2020	FY 2021
Basic earnings per share of face value of ₹ 10 (in ₹)	1.62	0.07	0.45
Diluted earnings per share of face value of ₹ 10 (in ₹)	1.62	0.07	0.45
Net asset value	4,268.34	4,452.11	4,811.74

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

2. ***Eatgood Technologies Private Limited ("Eatgood")***

Corporate Information and nature of business

Eatgood was incorporated as a private limited company on June 18, 2015 under the Companies Act, 2013 with the Registrar of Companies, Karnataka at Bangalore. Its CIN is U74900KA2015PTC080961. Eatgood is engaged in the business of providing technology solutions to corporates in handling cafeteria operations by supplying food through the contracted vendor partners on its digital platform. It has obtained a license under the Food Safety and Standards Act, 2006, which is valid till December 31, 2021.

Financial Information

The financial information derived from the audited standalone financial results of Eatgood for Financial Years 2018, 2019 and 2020 are set forth below:

(in ₹ million, except as otherwise stated)

Particulars	FY 2018	FY 2019	FY 2020
Equity capital	7.67	2.49	11.16
Reserves and surplus (excluding revaluation reserves)	35.39	(93.07)	113.12
Sales	139.70	444.93	1,030.13
Profit/(loss) after tax	(66.82)	(262.73)	(447.26)
Basic earnings per share of face value of ₹ 1 (in ₹)	(668.21)	(1,456.50)	(2,479.47)
Diluted earnings per share of face value of ₹ 1 (in ₹)	(668.21)	(1,456.50)	(2,479.47)
Net asset value	43.06	(90.58)	124.28

Note: The financial statements of Eatgood for FY 2021 have not been audited yet

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

3. ***Alipay Singapore E-Commerce Private Limited ("Alipay E-commerce")***

Corporate Information and nature of business

Alipay E-Commerce was incorporated as a private company limited by shares on January 5, 2010 under the Companies Act. Its company registration number is 201000378D. Alipay E-Commerce is engaged in the business of merchant acquiring and settlement services for marketplace merchant and holds a Major Payment Institution licence issued by the Monetary Authority of Singapore.

Financial Information

The financial information derived from the audited standalone financial results of Alipay E-commerce for financial years ended December 31, 2018, December 31, 2019 and December 31, 2020 are set forth below:

(in USD in million, except as otherwise stated)

Particulars	Financial year ended December 31, 2018	Financial year ended December 31, 2019	Financial year ended December 31, 2020
Equity capital	670.00	670.00	670.00

Particulars	Financial year ended December 31, 2018	Financial year ended December 31, 2019	Financial year ended December 31, 2020
Reserves and surplus (excluding revaluation reserves)	(17.00)	(182.00)	524.00
Sales	289.00	451.00	602.00
Profit/(loss) after tax	(143.00)	(149.00)	4,243.00
Basic earnings per share*	-	-	-
Diluted earnings per share *	-	-	-
Net asset value	653.00	488.00	1,194.00

**No EPS is calculated for unlisted company*

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

4. ***Alipay Labs (Singapore) Pte. Ltd. ("Alipay Labs")***

Corporate Information and nature of business

Alipay Labs was incorporated as a private company limited by shares on June 22, 2016 under the Companies Act. Its company registration number is 201616973N. Alipay Labs is engaged in the business of development of E-commerce applications, as well as research and experimental development on internet technology.

Financial Information

The financial information derived from the audited standalone financial results of Alipay Labs for financial years ended December 31, 2017, December 31, 2018 and December 31, 2019 are set forth below:

(in USD in million, except as otherwise stated)

Particulars	Financial year ended December 31, 2018	Financial year ended December 31, 2019	Financial year ended December 31, 2020
Equity capital*	0	0	0
Reserves and surplus (excluding revaluation reserves)	(6.00)	(6.00)	(7.00)
Sales	3.00	11.00	23.00
Profit/(loss) after tax	(4.00)	(3.00)	(5.00)
Basic earnings per share	-	-	-
Diluted earnings per share	-	-	-
Net asset value	(6.00)	(6.00)	(7.00)

**Share capital of USD 1*

Note: The financial statements of Alipay Labs for the financial year ended December 31, 2020 have not been audited yet

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

5. ***SAIF Partners India IV Limited ("SAIF Partners IV")***

Corporate Information and nature of business

SAIF Partners IV was incorporated as "SAIF IV Mauritius Company Limited" as a private company limited by shares on July 12, 2010 with the Registrar of Companies, Mauritius**.** Lately, its name was changed to "SAIF Partners India IV Limited" with effect from January 19, 2011 and it was subsequently converted to public company with effect from August 3, 2017. Its CIN is 96433. SAIF Partners IV is authorized under its constitutional documents to engage in the business of making privately negotiated equity and equity related investments in companies located in, with significant business activity in, or headquartered in India, or expected to have a nexus to the Indian sub-continent.

Financial Information

The financial information derived from the audited standalone financial results of SAIF Partners IV for financial years ended December 31, 2018, December 31, 2019 and December 31, 2020 are set forth below:

Particulars	Financial year ended December 31, 2018	Financial year ended December 31, 2019	Financial year ended December 31, 2020
Equity capital	349.00	349.00	349.00
Reserves (excluding revaluation reserve)[1]	796.00	896.00	943.00
Sales[2]	59.00	27.00	7.00
Profit/(loss) after tax[1]	(24.00)	121.00	47.00
Basic earnings per share *(face value of USD 0.01)*	(7.00)	34.00	13.00
Diluted earnings per share *(face value of USD 0.01)*	(7.00)	34.00	13.00
Net asset value	1,145	1,245	1,292

[1]. Including unrealised gains on investments
[2]. Represents dividend income

Significant notes of auditors

a. In the standalone financial statements for the Financial Year ended December 31, 2020, the following was reported:

Matter of emphasis: Note 2 of the financial statements, describes that the going concern basis was used for preparing the financial statements, notwithstanding the fact that the term of the Company is up to January 1, 2022, extendable up to one year, with the consent of Advisory Committee and thereafter, with the written consent of a majority of the investor shareholders. The opinion of the auditors was not modified in respect of this matter.

b. In the financial statements for the Financial Year ended December 31, 2019 the following was reported:

Matter of emphasis: Note 2 of the financial statements, describes that the going concern basis was used for preparing the financial statements, notwithstanding the fact that the term of the Company is up to January 1, 2021, extendable up to two successive periods of one year each with the consent of Advisory Committee and thereafter, with the written consent of a majority of the investor shareholders. The opinion of the auditors was not modified in respect of this matter.

II. Other Group Companies

Details of our other Group Companies are as follows:

6. ***Infinity Transoft Solutions Private Limited ("Infinity")***

Infinity was incorporated as a private limited company on June 24, 2014 under the Companies Act, 2013 with the Registrar of Companies, Gujarat at Ahmedabad. Its CIN is U72200GJ2014PTC079893. Infinity is engaged in the business of providing travel solution to bus operators.

7. ***Paytm Financial Services Limited ("PFSL")***

PFSL was incorporated as a public limited company on March 27, 2017 under the Companies Act, 2013 with the Registrar of Companies. Its CIN is U65999DL2017PLC315115. PFSL is authorized under its memorandum of association to engage in the business of financing and investment of all kinds, borrow, lend or advance money by way of loan, working capital finance, refinance and to perform various non-Banking financial activities and all types/ kinds of electronic and virtual payment systems services, in India and abroad including all kinds of online or offline payment services in any manner whatsoever. It is not engaged in any activities at present.

8. ***Paytm Insuretech Private Limited ("PIPL")***

PIPL was incorporated as "QORQL Private Limited" as a private limited company on October 5, 2015 under the Companies Act, 2013 with the Registrar of Companies. Its name was changed from "QORQL Private Limited" to "Paytm Insuretech Private Limited" with effect from October 1, 2020. Its CIN is U72200DL2015PTC285987. PIPL is engaged in the business of providing technology enabled solutions and technical manpower.

9. ***Paytm General Insurance Limited ("PGIL")***

PGIL was incorporated as "Paytm General Insurance Corporation Limited" as public limited company on February 21, 2018 under Companies Act, 2013 with the Registrar of Companies. Its name was changed from "Paytm General Insurance Corporation Limited" to "Paytm General Insurance Limited" with effect from May 25, 2018. Its CIN is U67200DL2018PLC329710. PGIL is currently engaged in the business of general insurance services.

10. ***Paytm Life Insurance Limited ("PLIL")***

PLIL was incorporated as "Paytm Life Insurance Corporation Limited" as public limited company on February 21, 2018 under Companies Act, 2013 with the Registrar of Companies. Its name was changed from "Paytm Life Insurance Corporation Limited" to "Paytm Life Insurance Limited" with effect from May 28, 2018. Its CIN is U67200DL2018PLC329711. PGIL is currently engaged in the business of life insurance services.

11. ***Socomo Technologies Private Limited ("Socomo Technologies")***

Socomo Technologies was incorporated as a private limited company on December 18, 2012 under The Companies Act, 1956 with the Registrar of Companies, Punjab at Chandigarh. Its CIN is U72900CH2012PTC034269. Socomo Technologies is engaged in the business of IT and software development.

Details of loss-making Group Companies

Except as disclosed below, none of our Group Companies have incurred losses on a standalone basis in their preceding audited financial years.

(in ₹ million, except as otherwise stated)

Name of Group Company	Details of profit/(loss) after tax			
	FY 2018	FY 2019	FY 2020	FY 2021
Eatgood Technologies Private Limited#	(66.82)	(262.73)	(447.26)	-
Paytm Financial Services Limited	-	0.53	(0.15)	(2.85)
Paytm Insuretech Private Limited	-	(16.51)	(1.03)	(1.56)
Infinity Transoft Solutions Private Limited#	1.12	0.74	(27.30)	-
Paytm General Insurance Limited#	(0.00)*	(0.04)	(10.87)	-
Paytm Life Insurance Limited#	(0.00)*	(0.04)	(0.13)	-
Socomo Technologies Private Limited#	(163.43)	(32.24)	(20.82)	-
		Financial year ended December 31, 2017 *(in USD in million)*	**Financial year ended December 31, 2018** *(in USD in million)*	**Financial year ended December 31, 2019** *(in USD in million)*
Alipay Labs (Singapore) Pte. Ltd^		(4.00)	(3.00)	(5.00)

* *amounts are less than INR 0.00 millions.*

The financial statements of Eatgood Technologies, Infinity, PLIL, PGIL and Socomo Technologies for the FY 2021 have not been audited yet.

^ *The financial statements of Alipay Labs for the financial year ended December 31, 2020 have not been audited yet.*

Public or rights issue in the preceding three years

None of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Details of Group Companies under winding up

As on the date of this Draft Red Herring Prospectus, our Group Companies are not under winding up. Further, as on the date of this Draft Red Herring Prospectus, no insolvency resolution process or revocation proceedings or actions have been initiated against our Group Companies.

Insolvent or sick Group Companies

As on the date of this Draft Red Herring Prospectus, our Group Companies have not been declared insolvent/bankrupt under the Insolvency and Bankruptcy Code, 2016, as applicable. Our Group Companies do not fall under the definition of sick industrial companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as applicable.

Defunct Group Companies

Our Group Companies have not been declared defunct under the Companies Act, 2013 and no application has been made to the relevant registrar of companies or other authority, as applicable, for striking off the name of any of our Group Companies during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interests and common pursuits

a. Our Group Companies do not have any interest in the promotion of our Company.

b. Our Group Companies are not interested in the properties acquired by our Company in the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

c. Our Group Companies do not have any interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.

d. Except as set forth in "***Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions***" on page 326, our Group Companies have no business interest in our Company. For details in relation to Paytm Payments Bank, see "***Our Business – Our Relationship with Paytm Payments Bank***" on page 181. For further details in relation to the shareholding of our Group Companies, Ant and SAIF Partners IV, in our Company, see "***Capital Structure – Notes to Capital Structure – Details of shareholding of the major Shareholders of our Company***" on page 108.

e. There are no common pursuits between our Group Companies and our Company. We shall adopt necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

Related business transactions

Except as set forth in "***Restated Financial Statements – Annexure V – Note 26 – Related Party Transactions***" on page 326, there are no related business transactions with our Group Companies.

Litigation

Our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

For further confirmations with respect to our Group Companies, see "***Other Regulatory and Statutory Disclosures***" on page 419.

DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules issued thereunder. The dividend distribution policy of our Company was approved and adopted by our Board on July10, 2021 ("**Dividend Policy**"). In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, which, amongst others, include, (i) profits earned and available for distribution during the financial year; (ii) accumulated reserves including retained earnings; (iii) expected future capital /expenditure requirements of our Company; (iv) organic growth plans /expansions; (v) net profit earned during the financial year as per the consolidated financial statements; (vi) debt repayment schedules, if any; (vii) cost of raising funds from alternate sources; and (viii) technological changes. Further, our Board may not declare or recommend dividend for a particular period if it is of the view that it would be prudent to conserve capital for the then ongoing or planned business expansion or other factors which may be considered by the Board.

Retained earnings may be utilized by our Company for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board. Our Company may also, from time to time, pay interim dividends. For details in relation to risks involved in this regard, see "***Risk Factors - We cannot assure payment of dividends on the Equity Shares in the future***" on page 70.

We have not declared and paid any dividends on the Equity Shares in any of the three Financial Years preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

To
The Board of Directors
One97 Communications Limited
B-121, Sector 5, Noida
Uttar Pradesh – 201301

Independent Auditor's Examination Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of One97 Communications Limited

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated June 30, 2021.

2. We have examined the attached Restated Consolidated Financial Information, expressed in Indian Rupees in millions of One97 Communications Limited (hereinafter referred to as the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), its joint ventures and its associates, comprising
   (a) the "Restated Consolidated Statement of Assets and Liabilities" as at March 31, 2021, 2020 and 2019 (enclosed as Annexure I);
   (b) the "Restated Consolidated Statement of Profit and Loss" for the years ended March 31, 2021, 2020 and 2019 (enclosed as Annexure II);
   (c) the "Restated Consolidated Statement of Changes in Equity" for the years ended March 31, 2021, 2020 and 2019 (enclosed as Annexure III);
   (d) the "Restated Consolidated Statement of Cash Flows" for the years ended March 31, 2021, 2020 and 2019 (enclosed as Annexure IV);
   (e) the "Notes to Restated Consolidated Financial Information" for the years ended March 31, 2021, 2020 and 2019 (enclosed as Annexure V); and
   (f) Statement of Adjustments to Audited Consolidated Financial Statements as at and for the years ended March 31, 2021, 2020 and 2019 (enclosed as Annexure VI);

   (hereinafter together referred to as the "Restated Consolidated Financial Information"), prepared by the Management of the Company in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "IPO" or "Issue") in accordance with the requirements of

   i. Section 26 of the Companies Act, 2013 (the "Act") as amended from time to time;
   ii. Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
   iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

   The said Restated Consolidated Financial Information has been approved by the Board of Directors of the Company at their meeting held on July 14, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP").

Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurgaon - 122002 T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Management's Responsibility for the Restated Consolidated Financial Information

3. The preparation of the Restated Consolidated Financial Information, for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (SEBI), BSE Limited ("BSE"), and National Stock Exchange of India Limited ("NSE") in connection with the proposed IPO, is the responsibility of the Management of the Company. The Restated Consolidated Financial Information have been prepared by the Management of the Company in accordance with the basis of preparation stated in note 2.1 to the Restated Consolidated Financial Information in Annexure V. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company, its subsidiaries, its associates and its joint ventures comply with the Act, SEBI ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

4. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information in accordance with the Guidance Note on Reports in Company Prospectuses (Revised 2019) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act, and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue.

5. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. Our examination of the Restated Consolidated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America, standards of the Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

7. The Restated Consolidated Financial Information, expressed in Indian Rupees in millions (INR Million), has been prepared by the Company's Management from the audited consolidated financial statements of the Group and its joint ventures and its associates as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 28, 2021, May 22, 2020 and May 16, 2019 respectively.

8. For the purpose of our examination, we have relied on the Auditors' reports issued by us on the consolidated financial statements of the Group, its joint ventures and its associates and as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 as referred in paragraph 7 above, on which we issued an unmodified opinion vide our reports dated May 28, 2021, August 2, 2020 and June 15, 2019, respectively. Also refer paragraph 15(a) below.

9. We have not audited any consolidated financial statements of the Group, its joint ventures and its associates as of any date or for any period subsequent to March 31, 2021. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Group, its joint ventures and its associates as of any date or for any period subsequent to March 31, 2021.

Opinion

10. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the Other Auditors for respective years as referred to in paragraphs 16(a), as applicable, we report that the Restated Consolidated Financial Information:

    a. have been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;

    b. have been prepared after incorporating adjustments in respect of changes in the accounting policies (as disclosed in Annexure VI to this report), material errors, if any and regrouping/reclassifications retrospectively to reflect the same accounting treatment as per the accounting policies as at and for the year ended March 31, 2021, for all the reporting periods; and

    c. there are no qualifications in the auditors' reports which require any adjustments.

11. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited consolidated financial statements mentioned in paragraph 8 above.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the consolidated financial statements of the Group and its joint ventures and its associates for all the reporting periods.

13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Emphasis of Matter

14. We draw attention to the following matters :

    (i) Note 48 to the Restated Consolidated Financial Information in Annexure V which describes the application made by the Company under section 454 of the Companies Act, 2013 to adjudicate non compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. As stated in the aforesaid Note, the Company has taken steps for cancellation of ESOP grants and shares allotted in the past have been transferred to the ESOP Trust and the Company is awaiting the outcome of the adjudication application.

    Our opinion is not modified in respect of this matter.

    (ii) The auditor's report issued by us dated May 28, 2021 on the Consolidated Financial Statements of the Group, its joint ventures and its associates as at and for the year ended March 31, 2021 includes the following Emphasis of Matter paragraphs (also refer Note 2.1, 39, 41(c), 41(a) and 41(b) to the Restated Consolidated Financial Information in Annexure V)

“We draw your attention to the following matters:

a) Note 2.1 to the Consolidated Financial Statements, which describes the management’s assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. The management believes that no adjustments are required in the Consolidated Financial Statements as it does not impact the current financial year, however, in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

b) Note 39 to the Consolidated Financial Statements relating to:

   i. non-settlement of foreign currency payables as at March 31, 2021 amounting to INR 0.04 MN and INR 1.61 MN, due for more than twelve months (time period extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years, respectively, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016- 17 dated January 1, 2016 (as amended), issued by RBI. The Holding Company had applied to the Authorised Dealer (AD) seeking permission for extension of time period for settlement of the payables. Further, during this year, the Holding Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 0.59 MN and INR 1.06 MN, respectively and approval is currently awaited.

   ii. non-realisation of foreign currency receivables as at March 31, 2021 amounting to INR 91.14 MN and INR 207.13 MN, due for more than fifteen months (time period extended from nine months via RBI circular RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020) and three years, respectively, from the date of exports, and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the RBI. The Group has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020 filed by the Holding Company. Further, the Holding Company has made an application to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit and write off receivable balances and approval is currently awaited.

c) Note 41(c) to the Consolidated Financial Statements, which indicates that one of the Subsidiary Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Subsidiary Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, the Subsidiary Company’s Management has stated that this position is temporary in nature and the Subsidiary Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application with the RBI seeking dispensation from registration as NBFC.

   Our opinion is not modified in respect of the above matters.”

d) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 21, 2021 issued by an independent firm of chartered accountants on the audit of the standalone financial statements for the year ended March 31, 2021 of Nearbuy India Private Limited which has been reported as under:

"We draw attention to Note 1(a) of the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter.

Note 1(a) referred above corresponds to Note 41(a) to the Consolidated Financial Statements."

e) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 18, 2021 issued by an independent firm of chartered accountants on the audit of the standalone financial statements for the year ended March 31, 2021 of Wasteland Entertainment Private Limited which has been reported as under:

"We draw attention to Note 2.1 to the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter."

Note 2.1 referred above corresponds to Note 41(b) to the Consolidated Financial Statements."

iii. The auditor's report issued by us dated August 2, 2020 on the Consolidated Financial Statements of the Group, its joint ventures and its associates as at and for the year ended March 31, 2020 includes the following Emphasis of Matter paragraph (also refer Note 2.1, 39, 41(a) and 41(b) to the Restated Consolidated Financial Information in Annexure V)

"We draw your attention to the following matters –

a) Note 2.1 to the Consolidated Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group, The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

b) Note 40 to the Consolidated Financial Statements regarding the non-settlement of foreign currency payables as at March 31, 2020 amounting to Rs 0.57 MN and Rs 1.29 MN by the group, due for more than twelve months (time period extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22,2020) and three years, respectively from the date of imports and non realisation of foreign currency receivables as at March 31, 2020 amounting to Rs 260.59 MN and Rs 7.50 MN by the group, due for more than fifteen months (time period extended from nine months via RBI circular - RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years, respectively from the date of exports, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1,2016 (as amended) and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), respectively, issued by the Reserve Bank of India. The Group has applied to the Authorised Dealer seeking permission for extension of time period for settlement of the payables and realisation of the receivables and for write-off of certain receivables outstanding for a period exceeding three years.

Our opinion is not modified in respect of the above matters."

c) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 20, 2020 issued by an independent firm of chartered accountants on the audit of the standalone financial statements of Wasteland Entertainment Private Limited which has been reproduced as under:

"We draw attention to Note 2 to the accompanying financial statements, which describes the management evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2020 and the operations of the Company.

Our opinion is not modified in respect of this matter."

d) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 21, 2020 issued by an independent firm of chartered accountants on the audit of the standalone financial statements of Nearbuy India Private limited which has been reproduced as under:

"We draw attention to Note 1(a) of the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2020 and the operations of the Company.

Our opinion is not modified in respect of this matter."

iv. The auditor's report issued by us dated June 15, 2019 on the Consolidated Financial Statements of the Group and its joint ventures and its associates as at and for the year ended March 31, 2019 includes the following Emphasis of Matter paragraph (also refer Note 39 of the Restated Consolidated Financial Information in Annexure V)

"We draw your attention to Note 40 to the Consolidated Financial Statements regarding the non settlement of foreign currency payables as at March 31,2019 amounting to Rs 26.14 MN and Rs 0.95 MN by the Holding Company, due for more than six months and three years, respectively from the date of imports and non realisation of foreign currency receivables as at March 31,2019 amounting to Rs 213.89 MN and Rs 2.84 MN by the Holding Company, due for more than nine months and three years, respectively from the date of exports, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), respectively, issued by the Reserve Bank of India. The Holding Company has applied to the Authorised Dealer seeking permission for extension of time period for settlement of the payables and realisation of the receivables and for write-off of certain receivables outstanding for a period exceeding three years.

Our opinion is not modified in respect of this matter."

Other Matters

15. As indicated in our auditor's reports referred in paragraph 8 above:

(a) We did not audit the financial statements of certain subsidiaries and associates whose share of total assets, net assets, total revenue, total comprehensive income (comprising of profit/ (loss) and other comprehensive income), net cash inflows / (outflows) and share of profit/ (loss) in its associates included in the consolidated financial statements, for the relevant years is tabulated in Table A below, which have been audited by other auditors (Refer Table B below), and whose reports have been furnished to us by the Company's 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 components, is based solely on the reports of the other auditors:

Table A

Particulars	**As at and for the year ended March 31, 2021**	**As at and for the year ended March 31, 2020**	**As at and for the year ended March 31, 2019**
Number of Subsidiaries (numbers)	11	8	2
Total Assets (INR Million)	4,601.33	3,841.80	625.09
Net Assets (INR Million)	2,380.88	1,533.87	322.32
Total Revenue (INR Million)	2,793.24	3,782.73	454.68
Total Comprehensive Income (INR Million)	(-)1,125.83	(-)3,199.17	(-)877.68
Net cash inflows/ (outflows) (INR Million)	299.89	426.53	152.15
Number of Associates (numbers)	2	1	1
Share of profit/ (loss) in associates (net) (INR Million)	91.51	12.85	320.52

Table B

S.No	Name of the Entity	Relationship	Auditor	Audit Period
1	Wasteland Entertainment Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
2	Urja Money Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21
3	Little Internet Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
4	Paytm Money Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21, FY19-20 and FY18-19
5	Paytm Insurance Broking Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
6	One97 Communications Singapore Private Limited	Subsidiary	Fiducia LLP	FY20-21 and FY19-20
7	Paytm Labs Inc.	Subsidiary	Ernst & Young LLP	FY20-21 and FY19-20
8	One97 Communications Malaysia Sdn. Bdn	Subsidiary	KL Associates	FY20-21 and FY19-20
9	Xceed IT Solution Private Limited	Subsidiary	Rohit j Aggarwal & Co.	FY20-21
10	Nearbuy India Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21, FY19-20 and FY18-19
11	Fincollect Services Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21
12	Paytm Payments Bank Limited	Associate	MSKA & Associates	FY20-21, FY19-20 and FY18-19
13	Paytm Financial Services Limited	Associate	S. R. Batliboi & Associates LLP	FY20-21

(b) We did not audit the financial statements/financial information of certain subsidiaries, whose financial statements/ financial information reflect total assets, net assets, total revenue, total comprehensive income (comprising of profit/ (loss) and other comprehensive income) and net cash flows, as considered in the consolidated financial statements for the relevant years as tabulated in Table C below. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit/ (loss) and other comprehensive income) as considered in the consolidated financial statements for the relevant years, in respect of certain associate companies (tabulated in Table C below), whose financial statements/ financial information have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate companies is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Table C

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Number of Subsidiaries (numbers)	12	20	25
Total Assets (INR Million)	577.29	998.49	6,913.94
Net Assets (INR Million)	127.42	180.28	4,607.67
Total Revenue (INR Million)	279.51	808.62	1,809.87
Total Comprehensive Income (INR Million)	110.97	(-)283.08	(-)2,149.81
Net cash inflows/ (outflows) (INR Million)	81.10	42.70	142.60
Number of Associates (numbers)	5	6	4
Share of profit/ (loss) in associates (INR Million)	(-) 50.03	(-)41.19	(-) 8.36

Our opinion on the consolidated financial statements is not modified in respect of these matters.

16. We did not examine:

(a) the restated financial information of certain subsidiaries and associates whose share of total assets, net assets, total revenue, total comprehensive income (comprising of profit/ (loss) and other comprehensive income), net cash inflows / (outflows) and share of profit/ loss in its associates included in the Restated Consolidated Financial Information, for the relevant years tabulated in Table D below, which have been examined by Other Auditors (Refer Table E below) and whose examination reports have been furnished to us by the Company's management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the examination reports of the other auditors:

Table D

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Number of Subsidiaries (numbers)	11	8	2
Total Assets (INR Million)	4,601.33	3,841.80	625.09
Net Assets (INR Million)	2,380.88	1,533.87	322.32
Total Revenue (INR Million)	2,793.24	3,782.73	454.68
Total Comprehensive Income (INR Million)	(-)1,125.83	(-)3,199.17	(-)877.68
Net cash inflows/ (outflows) (INR Million)	299.89	426.53	152.15
Number of Associates (numbers)	2	1	1
Share of profit/ (loss) in associates (net) (INR Million)	91.51	12.85	320.52

Table E

S.No	Name of the Entity	Relationship	Auditor	Audit Period
1	Wasteland Entertainment Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
2	Urja Money Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21
3	Little Internet Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
4	Paytm Money Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21, FY19-20 and FY18-19
5	Paytm Insurance Broking Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21 and FY19-20
6	One97 Communications Singapore Private Limited	Subsidiary	Rohit j Aggarwal & Co.	FY20-21 and FY19-20
7	Paytm Labs Inc.	Subsidiary	Rohit j Aggarwal & Co.	FY20-21 and FY19-20
8	One97 Communications Malaysia Sdn. Bdn	Subsidiary	Rohit j Aggarwal & Co.	FY20-21 and FY19-20
9	Xceed IT Solution Private Limited	Subsidiary	Rohit j Aggarwal & Co.	FY20-21
10	Nearbuy India Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21, FY19-20 and FY18-19
11	Fincollect Services Private Limited	Subsidiary	S. R. Batliboi & Associates LLP	FY20-21
12	Paytm Payments Bank Limited	Associate	MSKA & Associates	FY20-21, FY19-20 and FY18-19
13	Paytm Financial Services Limited	Associate	S. R. Batliboi & Associates LLP	FY20-21

These Other Auditors of the subsidiaries and associates, as mentioned above, have confirmed that the restated standalone/consolidated financial information of the components:

i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the year ended March 31, 2021;

ii. there are no qualifications in the auditors' reports which require any adjustments. However, the following matter has been included in paragraph 6(b) of the other auditor's examination report dated July 6, 2021 issued by an independent firm of chartered accountants of Wasteland Entertainment Private Limited which has been reported as under:

   "there are no qualifications in the auditors' reports on the Ind AS Financial Statements of the Company as at and for each of the years ended March 31, 2020 and March 31, 2021 which require any adjustments to the Restated Ind AS Summary Statements. However, qualifications included in the Annexure 1 to the auditors' report issued under Companies (Auditor's Report) Order, 2016, as applicable, on the Ind AS financial statements for the year ended March 31, 2020 and March 31, 2021 which do not require any corrective adjustment to the Restated Ind AS Summary Statements have been disclosed in Part C of Annexure VI to the Restated Ind AS Summary Statements." (Refer Annexure VI to the Restated Consolidated Financial Information); and

iii. have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note.

(b) the restated financial information of certain subsidiaries, whose restated financial information reflect total assets, total revenue, profit/ loss or total comprehensive income (comprising of profit/ loss and other comprehensive income) and net cash flows as considered in the Restated Consolidated Financial Information for the relevant years is tabulated Table F below. The Restated Consolidated Financial Information also include the Group's share of profit/ (loss) or total comprehensive income (comprising of profit/ (loss) and other comprehensive income), as considered in the Restated Consolidated Restated Financial Information for the relevant years is tabulated Table F below, in respect of certain associate companies whose restated financial information have not been examined by us. These restated financial information are unexamined and have been furnished to us by the Management, and our opinion on the Restated Consolidated Financial Information insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, and associate companies, is based solely on such unexamined restated financial information. In our opinion and according to the information and explanations given to us by the Management, these restated financial information are not material to the Group.

Table F

Particulars	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Number of Subsidiaries (numbers)	12	20	25
Total Assets (INR Million)	577.29	998.49	6,913.94
Net Assets (INR Million)	127.42	180.28	4,607.67
Total Revenue (INR Million)	279.51	808.62	1,809.87
Total Comprehensive Income (INR Million)	110.97	(-)283.08	(-)2,149.81
Net cash inflows/ (outflows) (INR Million)	81.10	42.70	142.60
Number of Associates (numbers)	5	6	4
Share of (loss) in associates (INR Million)	(-) 50.03	(-)41.19	(-) 8.36

Restriction on Use

17. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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

Amitesh Dutta
Partner
Membership Number: 058507
UDIN: 21058507AAAACO1423

Place: Gurugram
Date: July 14, 2021

Index

One97 Communications Limited

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure I - Restated Consolidated Statement of Assets and Liabilities
(Amounts in INR Million, unless otherwise stated)

	Annexure V Note	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS				
Non-current assets				
Property, plant and equipment	3(a)	2,992	2,616	1,999
Right-of-use-assets	3(b)	1,283	2,674	2,748
Capital work in progress		208	131	513
Goodwill	4	467	467	2,930
Other intangible assets	4	171	178	734
Intangible assets under development		28	16	43
Investment in joint ventures	5(a)	-	762	460
Investment in associates	5(b)	2,317	2,468	2,002
Financial assets				
Investments	6(a), 6(b)	341	2,276	1,051
Loans	6(c)	1,258	1,555	1,074
Other financial assets	6(d)	2,613	19,720	1,371
Current tax assets		3,016	4,937	4,648
Deferred tax assets	28	35	32	30
Other non-current assets	8	2,786	842	1,356
Total Non-Current Assets		**17,515**	**38,674**	**20,959**
Current assets				
Financial assets				
Investments	6(a)	1,472	31,894	24,979
Trade receivables	7	3,393	3,010	2,584
Cash and cash equivalents	9(a)	5,468	4,232	3,255
Bank balances other than cash and cash equivalents	9(b)	23,296	1,170	1,358
Loans	6(c)	2,564	702	3,088
Other financial assets	6(d)	23,753	10,207	17,308
Other current assets	8	14,052	13,142	14,137
Total Current Assets		**73,998**	**64,357**	**66,709**
TOTAL ASSETS		**91,513**	**103,031**	**87,668**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	10(a)	605	604	575
Instruments entirely equity in nature	10(a)	-	-	-
Other equity	10(b)	64,743	80,448	56,674
Equity attributable to owner of the parent		**65,348**	**81,052**	**57,249**
Non-controlling interests		(186)	(140)	862
Total Equity		**65,162**	**80,912**	**58,111**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	12(a)	-	-	-
Lease liabilities	3(b)	427	1,822	2,038
Deferred tax liabilities	28	6	11	185
Contract Liabilities	13(b)	4,119	3,423	-
Provisions	11	247	203	115
Total Non-Current Liabilities		**4,799**	**5,459**	**2,338**
Current liabilities				
Financial liabilities				
Borrowings	12(a)	5,449	2,081	6,956
Lease liabilities	3(b)	244	372	323
Trade payables				
(a) Total Outstanding dues of micro and small enterprises	12(b)	56	114	113
(b) Total Outstanding dues other than (a) above	12(b)	5,996	6,002	7,247
Others financial liabilities	12(c)	5,153	2,339	7,054
Contract Liabilities	13(b)	1,581	3,181	3,529
Other current liabilities	13(a)	2,643	2,013	1,592
Provisions	11	430	558	405
Total Current Liabilities		**21,552**	**16,660**	**27,219**
Total Liabilities		**26,351**	**22,119**	**29,557**
TOTAL EQUITY AND LIABILITIES		**91,513**	**103,031**	**87,668**

The above Restated Consolidated Statement of Assets and Liabilities should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Assets and Liabilities referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

For and on behalf of Board of Directors of
One97 Communications Limited

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer

Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure II - Restated Consolidated Statement of Profit and Loss
(Amounts in INR Million, unless otherwise stated)

	Annexure V Note	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Income				
Revenue from operations	14	28,024	32,808	32,320
Other income	15	3,844	2,599	3,477
Total income#		**31,868**	**35,407**	**35,797**
#excluding total income from discontinued operations for the year ended March 31, 2021: INR Nil (March 31, 2020: INR Nil; March 31, 2019 : INR 15) (refer Annexure V, Note 42)				
Expenses				
Payment processing charges		19,168	22,659	22,574
Marketing and promotional expenses		5,325	13,971	34,083
Employee benefits expense	16	11,849	11,193	8,562
Software, cloud and data centre expenses		3,498	3,603	3,096
Depreciation and amortization expense	18	1,785	1,745	1,116
Finance costs	17	348	485	342
Other expenses	19	5,857	7,726	7,666
Total expenses#		**47,830**	**61,382**	**77,439**
#excluding expenses of discontinued operations for the year ended March 31, 2021: INR Nil (March 31, 2020: INR Nil; March 31, 2019 : INR 68) (refer Annexure V, Note 42)				
Restated loss before share of profit / (loss) of associates / joint ventures, exceptional items and tax		**(15,962)**	**(25,975)**	**(41,642)**
Share of restated profit / (loss) of associates / joint ventures	24	(740)	(560)	146
Restated loss before exceptional items and tax from continuing operations		**(16,702)**	**(26,535)**	**(41,496)**
Exceptional items	20	(281)	(3,047)	(825)
Restated loss before tax from continuing operations		**(16,983)**	**(29,582)**	**(42,321)**
Income Tax expense				
Current tax	28	34	16	6
Deferred tax expense/(credit)	28	(7)	(174)	(71)
Total Tax expense		**27**	**(158)**	**(65)**
Restated loss for the year from continuing operations		**(17,010)**	**(29,424)**	**(42,256)**
Restated Loss for the year from discontinued operations	42	**-**	**-**	**(53)**
Restated Loss for the year		**(17,010)**	**(29,424)**	**(42,309)**
Restated Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent years				
Re-mesurement losses on defined benefit plans	27	(17)	(4)	(4)
Changes in fair value of equity instruments at FVTOCI		(53)	2	13
Items that may be reclassified to profit or loss in subsequent years				
Exchange differences on translation of foreign operations		40	(7)	(55)
Restated Total Other Comprehensive Income/ (Loss) for the year		**(30)**	**(9)**	**(46)**
Restated Total Comprehensive Income/ (Loss) for the year		**(17,040)**	**(29,433)**	**(42,355)**
Restated Loss for the year				
Attributable to:				
Owners of the parent		(16,961)	(28,422)	(41,816)
Non-controlling interests		(49)	(1,002)	(493)
		(17,010)	(29,424)	(42,309)
Restated Other comprehensive income for the year				
Attributable to:				
Owners of the parent		(30)	(9)	(50)
Non-controlling interests		*	*	4
		(30)	(9)	(46)
Restated Total comprehensive income/(loss) for the year				
Attributable to:				
Owners of the parent		(16,991)	(28,431)	(41,866)
Non-controlling interests		(49)	(1,002)	(489)
		(17,040)	(29,433)	(42,355)
Restated Total comprehensive income/(loss) attributable to equity holders				
Continuing operations		(16,991)	(28,431)	(41,813)
Discontinued operations		-	-	(53)
		(16,991)	(28,431)	(41,866)
Restated Basic & Diluted Earnings per share from continuing operations attributable to owners of the parent (INR per Share)	21	(282)	(488)	(745)
Restated Basic & Diluted Earnings per share from discontinued operations attributable to owners of the parent (INR per Share)	21	-	-	(1)
Restated Basic & Diluted Earnings per share from continuing and discontinued operations attributable to owners of the parent (INR per Share)	21	(282)	(488)	(746)

*Amount below rounding off norms adopted by the Group

The above Restated Consolidated Statement of Profit and Loss should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

(Amounts in INR Million, unless otherwise stated)

a) Equity Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of Shares	Amount
At April 1, 2018#	**54,998,632**	**553**
Shares issued during the year##	2,094,650	20
Shares issued during the year - ESOP	162,847	2
At March 31, 2019#	**57,256,129**	**575**
Shares issued during the year##	2,803,511	28
Shares issued during the year - ESOP	128,015	1
At March 31, 2020#	**60,187,655**	**604**
Shares issued during the year##	29,979	*
Shares issued during the year - ESOP	42,379	*
At March 31, 2021#	**60,260,013**	**605**

Net of treasury shares 222,391 (March 31, 2020: 247,370; March 31, 2019: 277,737, April 1, 2018: 326,639) at nil cost through employee welfare trust
Includes shares issued during the year ended March 31, 2021: 24,979 (March 31, 2020: 30,367; March 31, 2019: 48,902) out of treasury shares
*Amount below rounding off norms adopted by the Group

b) Instruments entirely equity in nature

Obligation to issue fixed number of shares	Amount
At April 1, 2018	**1,736**
Changes during the year (Refer Annexure V, Note 10(a))	(1,736)
At March 31, 2019	**-**
Changes during the year	-
At March 31, 2020	**-**
Changes during the year	-
At March 31, 2021	**-**

(Amounts in INR Million, unless otherwise stated)

c) Other equity

Particulars	Attributable to the equity shareholders of the parent							Non-controlling interests	Total Other Equity
	Share application money pending allotment	Reserves and Surplus			Other reserves		Total		
		Securities Premium	Retained Earnings	ESOP Reserve	FVTOCI	FCTR**			
As at April 1, 2018	*	**113,239**	**(42,040)**	**1,343**	**10**	**(3)**	**72,549**	**1,355**	**73,904**
Restated Loss for the year	-	-	(41,816)	-	-	-	(41,816)	(493)	(42,309)
Restated Other Comprehensive income	-	-	(8)	-	13	(55)	(50)	4	(46)
Restated Total Comprehensive Income/ (Loss)	**-**	**-**	**(41,824)**	**-**	**13**	**(55)**	**(41,866)**	**(489)**	**(42,355)**
Exercise of share options	*	*	-	-	-	-	*	-	*
Adjustment on forfeiture of ESOP	-	-	34	(34)	-	-	-	-	-
Adjustment on cancellation of unvested ESOP	-	-	191	(191)	-	-	-	-	-
Share based payment expenses	-	-	-	1,542	-	-	1,542	-	1,542
Share based payment reserve on account of joint ventures	-	-	-	28	-	-	28	-	28
Amount received on issue of shares	-	21,874	-	-	-	-	21,874	-	21,874
Shares issued for consideration other than cash	-	2,947	-	-	-	-	2,947	-	2,947
Amount utilised for share issue expenses	-	(24)	-	-	-	-	(24)	-	(24)
Acquisition of Non-controlling interest (refer Annexure V, Note 37)	-	-	(366)	-	-	-	(366)	(15)	(381)
Non-controlling interest recognised on dilution of interest (refer Annexure V, Note 37)	-	-	(10)	-	-	-	(10)	11	1
Amount transferred to securities premium on exercise of ESOPs	-	187	-	(187)	-	-	-	-	-
As at March 31, 2019	**-**	**138,223**	**(84,015)**	**2,501**	**23**	**(58)**	**56,674**	**862**	**57,536**
Ind AS 116 transition adjustment (refer Annexure VI)	-	-	137	-	-	-	137	*	137
As at April 1, 2019	**-**	**138,223**	**(83,878)**	**2,501**	**23**	**(58)**	**56,811**	**862**	**57,673**
Restated Loss for the year	-	-	(28,422)	-	-	-	(28,422)	(1,002)	(29,424)
Restated Other Comprehensive income	-	-	(4)	-	2	(7)	(9)	*	(9)
Restated Total Comprehensive Income/ (Loss)	**-**	**-**	**(28,426)**	**-**	**2**	**(7)**	**(28,431)**	**(1,002)**	**(29,433)**
Adjustment on forfeiture of ESOP	-	-	2	(2)	-	-	-	-	-
Adjustment on cancellation of unvested ESOP	-	-	285	(285)	-	-	-	-	-
Amount transferred to securities premium on exercise of ESOPs	-	359	-	(359)	-	-	-	-	-
Share based payment expenses	-	-	-	1,636	-	-	1,636	-	1,636
Share based payment reserve on account of joint ventures	-	-	-	61	-	-	61	-	61
Share application money pending allotment	*	-	-	-	-	-	*	-	*
Amount received on issue of shares	-	50,511	-	-	-	-	50,511	-	50,511
Amount utilised for share issue expenses	-	(140)	-	-	-	-	(140)	-	(140)
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	-	5	-	(5)	-	-	-	-
As at March 31, 2020	*	**188,953**	**(112,012)**	**3,552**	**20**	**(65)**	**80,448**	**(140)**	**80,308**
Restated Loss for the year	-	-	(16,961)	-	-	-	(16,961)	(49)	(17,010)
Restated Other Comprehensive income	-	-	(17)	-	(53)	40	(30)	*	(30)
Restated Total Comprehensive Income/ (Loss)	**-**	**-**	**(16,978)**	**-**	**(53)**	**40**	**(16,991)**	**(49)**	**(17,040)**
Adjustment on forfeiture of ESOP	-	-	206	(206)	-	-	-	-	-
Amount transferred to securities premium on exercise of ESOPs (refer Annexure V, Note 10(b))	-	192	15	(219)	-	-	(12)	12	-
Share based payment expenses	-	-	-	1,118	-	-	1,118	-	1,118
Share based payment reserve on account of joint ventures	-	-	-	19	-	-	19	-	19
Share application money pending allotment	2	-	-	-	-	-	2	-	2
Amount received on issue of shares	-	107	-	-	-	-	107	-	107
Acquisition of Non-controlling interest (refer Annexure V, Note 37)	-	-	(54)	-	-	-	(54)	(9)	(63)
Other adjustments (refer Annexure V, Note 10(b))	-	-	106	-	-	-	106	-	106
As at March 31, 2021	**2**	**189,252**	**(128,717)**	**4,264**	**(33)**	**(25)**	**64,743**	**(186)**	**64,557**

*Amount below rounding off norms adopted by the Group
** Foreign currency translation reserve

The above Restated Consolidated Statement of Changes in Equity should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

For and on behalf of Board of Directors of
One97 Communications Limited

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure IV - Restated Consolidated Statement of Cash Flows
(Amounts in INR Million, unless otherwise stated)

	Annexure V Note	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities:				
Restated loss before tax from				
Continuing operations		**(16,983)**	**(29,582)**	**(42,321)**
Discontinued operations		**-**	**-**	**(53)**
Adjustments for				
Depreciation and amortization expense	18	1,785	1,745	1,116
Interest income	15	(2,229)	(593)	(646)
Interest Income on unwinding of discount - financial assets measured at amortized cost	15	(218)	(334)	(457)
Interest on borrowing at amortized cost	17	216	253	107
Interest and finance charges on lease liabilities	17	123	218	217
Gain on lease termination		(50)	-	-
Stock acquisition rights (PayPay Corporation)		(221)	-	-
Trade receivables / advances written off	19	67	18	16
Provision for advances	19	19	65	18
Loss allowance for financial assets	19	428	320	310
(Gain) / loss on sale of investment in associates and subsidiaries	20	(19)	103	(422)
Liabilities / provision no longer required written back	15	(30)	(51)	(59)
Provision for impairment of investments in associates	20	300	100	46
Property, plant and equipment and intangible assets written off	19	3	2	223
Impairment of goodwill and Intangible on acquisition	20	-	2,844	1,201
Non-cash employee share based payment expenses	16	1,125	1,661	1,546
Provision for employee incentive		67	467	(98)
Share of restated profit / (loss) of associates / joint ventures	24	740	560	(146)
Fair value gain on financial instruments measured at FVTPL (net)	15	(899)	(1,353)	(2,189)
Profit on sale of property, plant and equipment (net)		(18)	(12)	(10)
Operating loss before working capital changes		**(15,794)**	**(23,569)**	**(41,601)**
Working capital adjustments:				
Increase/(decrease) in trade payables		(33)	(1,199)	2,845
Increase/(decrease) in provisions		(85)	212	117
Increase /(decrease) in other current liabilities and contract liabilities		(273)	3,496	4,577
Increase/(decrease) in other financial liabilities		2,669	(4,771)	4,494
(Increase)/decrease in trade receivables		(612)	(745)	2,248
(Increase)/decrease in other financial assets		(5,737)	2,134	(6,289)
(Increase)/decrease in other current and non current assets		(2,729)	1,472	(8,481)
(Increase)/decrease in loans		(102)	(531)	(834)
Cash used in operations		**(22,696)**	**(23,501)**	**(42,924)**
Income taxes (net of refunds)		1,871	(265)	(1,835)
Net cash (outflow) from operating activities (A)		**(20,825)**	**(23,766)**	**(44,759)**
Cash flow from/(used in) investing activities				
Purchase of property, plant and equipment including intangible assets, work in progress and capital advances		(1,927)	(1,907)	(1,773)
Proceeds from sale of property, plant and equipment		56	41	24
Proceeds from sale of gaming business		-	-	339
Acquisition of subsidiaries (net of cash acquired)		-	-	(14)
Investment in bank deposits		(21,534)	(14,427)	(2,187)
Maturity of bank deposits		10,419	1,128	2,585
Proceeds from repayment of inter corporate loans		5	2,522	-
Inter corporate loans given		(1,608)	-	(2,742)
Investments in joint ventures and associates		(87)	(1,457)	(593)
Proceeds from sale of non-current investments		1,036	7	7,504
Proceeds from sale of current investments		99,456	73,352	48,294
Payment for purchase of investments		(67,468)	(79,603)	(32,963)
Interest received		950	381	636
Net cash inflow / (outflow) from investing activities (B)		**19,298**	**(19,963)**	**19,110**

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure IV - Restated Consolidated Statement of Cash Flows
(Amounts in INR Million, unless otherwise stated)

	Annexure V Note	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from/(used in) financing activities				
Proceeds from issue of shares		107	50,540	21,893
Share issue expenses		-	(140)	(24)
Share application money received during the year		2	*	-
Acquisition of non controlling interests		(63)	(80)	(369)
Repayment of borrowings on acquisition of subsidiaries		-	-	(31)
Repayment of term loan		(729)	(606)	-
Repayment of other borrowings		(6)	-	-
Net change in working capital demand loan		(847)	1,282	-
Interest paid		(339)	(470)	(314)
Proceeds from loan		-	1,364	-
Principal elements of lease payments		(346)	(291)	(50)
Net cash inflow / (outflow) from financing activities (C)		**(2,221)**	**51,599**	**21,105**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(3,748)**	**7,870**	**(4,544)**
Cash and cash equivalent at the beginning of the year		4,162	(3,701)	897
Effect of exchange differences on restatement of foreign currency cash and cash equivalents		40	(7)	(54)
Cash and cash equivalent at the end of the year		**454**	**4,162**	**(3,701)**

Cash and cash equivalents as per above comprises of following		**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Cash and cheque on hand		1	34	1
Balance with banks				
- On current accounts		2,606	4,025	3,041
- Deposits with original maturity of less than 3 months		2,861	173	213
Cash and cash equivalents	9(a)	**5,468**	**4,232**	**3,255**
Bank overdraft	12(a)	(5,014)	(70)	(6,956)
Total cash and cash equivalents		**454**	**4,162**	**(3,701)**

*Amount below rounding off norms adopted by the Group

For non-cash additions and deletions in Right-of-use-assets, investing activities and financing activities, refer Annexure V, Notes 3(b), 10(a), 12(a) and 43.

The above Restated Consolidated Statement of Cash Flows should be read in conjunction with Notes to the Restated Consolidated Financial Information appearing in Annexure - V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure - VI.

This is the Restated Consolidated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

For and on behalf of Board of Directors of
One97 Communications Limited

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer

Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

1. Corporate information

These restated consolidated financial information comprise the restated financial information of One97 Communications Limited (hereinafter referred to as the "Holding Company" or "Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and its associate companies for the years ended March 31, 2021, March 31, 2020 and March 31, 2019.

One97 Communications Limited is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 ("the Act"). The registered office of the Holding Company is located at 1st Floor, Devika Tower, Nehru Place, New Delhi - 110019. The principal place of business of the Group is in India.

The Group is in the business of providing a) payment and financial services which primarily includes payment facilitator services, facilitation of consumer and merchant lending to consumers and merchants, wealth management etc. b) commerce and cloud services which primarily consists of aggregator for digital products, ticketing business, providing voice and messaging platforms to the telecom operators and enterprise customers and other businesses, etc.

These Restated Consolidated Financial Information were authorised for issue in accordance with a resolution of the Board of Directors on July 14, 2021.

2. Significant accounting policies

2.1 Basis of preparation

The restated consolidated financial information of the Group, its joint venture and its associates comprises of the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, Notes to the Restated Consolidated Financial Information and Statement of Adjustments to Audited Consolidated Financial Statements (collectively, the 'Restated Consolidated Financial Information').

These Restated Consolidated Financial Information have been prepared by the Management of the Group for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP') to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with proposed Initial Public Offering ("IPO") of its equity shares.

The Restated Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

a) Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;

b) Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and

c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Restated Consolidated Financial Information have been prepared from the audited consolidated financial statements of the Group, its joint ventures and its associates as at and for the years ended March 31, 2021, March 31, 2020 and March 31 2019 which are prepared in accordance with Indian Accounting Standards (Ind AS) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors of the Holding Company at their meetings held on May 28, 2021, May 22, 2020 and May 16, 2019 respectively, on which an unmodified audit opinion was issued vide audit reports dated May 28, 2021, August 2, 2020 and June 15, 2019, respectively.

The Restated Consolidated Financial Information has been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policies on financial instruments and Share-based payments).

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Financial Information and are consistent with those adopted in the preparation of restated consolidated financial information for the year ended March 31, 2021. These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited consolidated financial statements mentioned above.

The Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors, if any, and regrouping/reclassifications retrospectively in the financial years ended March 31, 2020 and March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2021.

b) do not require any adjustment for qualification as there are no qualifications in the underlying audit reports.

All the amounts included in the Restated Consolidated Financial Information are presented in Indian Rupees ('Rupees' or 'Rs.' Or 'INR') and are rounded to the nearest millions, except per share data and unless stated otherwise

Impact of COVID-19

COVID-19 continues to spread across globe and India. This has impact on all local and global economic activities. Government of India has taken series of measures to contain spread of virus and limit economic impact on corporates and individuals.

The Group has considered the possible effects that may result from COVID-19, on the carrying amount of the receivables, investments, goodwill etc. While making the assessment the Group has taken cognizance of internal and external information up to the date of approval of these Restated Consolidated Financial Information. The Group based on current estimates expects the carrying amount of the above assets will be recovered.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Restated Consolidated Financial Information. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to the future economic conditions.

2.2 Business Combination and Goodwill

Business combinations (other than those under common control) are accounted for using the acquisition method under Ind AS 103. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- The assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 19 Employee Benefits.

- Deferred tax assets and liabilities are recognized and measured in accordance with Ind AS 12 Income Taxes.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

The consideration transferred by the acquirer is recognized at fair value at the acquisition date. Deferred consideration is classified as a liability under Ind AS 109 and is measured at amortized cost.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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 in restated consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.3 Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has Control. The determination of control for the purpose of consolidation is done as per Ind AS 110. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b) Exposure, or rights, to variable returns from its involvement with the investee, and
c) The ability to use its power over the investee to affect its returns

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

a) The contractual arrangement with the other vote holders of the investee
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights
d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

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

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

The restated financial information of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the restated consolidated financial information of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Consolidated Financial Information at the acquisition date.
b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in Fixed assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Restated Consolidated Financial Information. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group 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 restated financial information of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group measures non-controlling interests at their proportion of the fair value of the identifiable net assets.

2.4 Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control.

The considerations made in determining whether significant influence is similar to those necessary to determine control over the subsidiaries

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost.

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the restated consolidated statement of assets and liabilities.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The restated consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of the associate or joint venture is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the restated consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate or joint venture is shown on the face of the restated consolidated statement of profit and loss. The restated financial information of the associate and joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'exceptional items' in the restated consolidated statement of profit and loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in restated consolidated statement of profit and loss.

2.5 Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the restated consolidated statement of assets and liabilties based on current / non-current classification.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or 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 it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or 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. Foreign currencies

Functional and presentation currency

Items included in the Restated Consolidated Financial Information of the Group are measured using the currency of the primary economic environment in which it operates i.e. the "functional currency". The Group's restated consolidated financial information are presented in INR, which is also the Holding Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in restated consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in restated other comprehensive income ("OCI") or restated consolidated statement of profit and loss, are also recognised in OCI or restated consolidated statement of profit and loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their restated consolidated statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in restated consolidated statement of profit and loss.

c. Fair value measurement

The Group measures certain financial instruments (e.g. investments) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liabilities takes place either in the principal market for the asset or liability or in absence of principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the Restated Consolidated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Restated Consolidated Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management or its expert verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Group provides incentives to its users in various forms including cashbacks. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where the Group acts as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. 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.

Sale of services

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the restated consolidated statement of assets and liabilities as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognised as a contract liability.

Commission

The Group facilitates recharge of talk time, bill payments, availability of bus tickets and sale of deal coupons and earns commission for the respective services. Commission income is recognized when the control in services is transferred to the customer when the services have been provided by the Group.

Service fees from merchants

The Group earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Group i.e. as and when services have been provided by the Group. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Group pending settlement are disclosed as payable to the merchants under contract liabilities.

Other operating revenue

Where the Group is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognised as other operating revenue when there is a reasonable certainty that the Group will be able to realize the said amounts.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, 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 gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, 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 finance income in the restated consolidated statement of profit and loss.

e. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside restated consolidated statement of profit and loss is recognised either in other comprehensive income or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside restated consolidated statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax

Credit of MAT is recognised as deferred tax asset only when it is probable that taxable profit will be available against which the credit can be utilised. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the restated consolidated statement of profit and loss account. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer probable that the Group will pay normal income tax during the specified period.

Taxes paid on acquisition of assets or on incurring expenses

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset.

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in restated consolidated statement of profit and loss.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non- current assets or other current liabilities in the restated consolidated statement of assets and liabilities.

f. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets 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 assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the restated consolidated statement of assets and liabilities. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operations if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations or
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the restated consolidated statement of profit and loss.

g. Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a written down value basis to its residual value over its estimated useful life.

Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to restated consolidated statement of profit and loss during the reporting period in which they are incurred.

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

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the restated consolidated statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the written down value method and charged to restated consolidated statement of profit and loss as per the rates prescribed under Schedule II of the Companies Act, 2013 except for technical evaluation done by the management's expert for plant and machinery, given below:

Assets	Rate of Depreciation (per annum)
Servers and networking equipment (Computers)	39.30%
Laptops and desktops (Computers)	63.16%
Office equipment	45.07%
Furniture and fittings	25.89%
Plant & Machinery	45.07% / 63.16%
Vehicles	31.23%

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

Separately acquired intangible assets, such as software are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the restated consolidated statement of profit and loss in the year in which the expenditure is incurred. Intangible assets with finite useful lives are carried at cost and are amortised on a written down value basis over their estimated useful lives and charged to restated consolidated statement of profit and loss.

Software and licenses acquired are amortized at the rate of 40% per annum on written down value method. Other intangibles i.e Customer relationship, right to use brand and non- compete right acquired in business combination are amortised over their useful life on straight line basis, which is taken to be 5 years.

The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the restated consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the restated consolidated statement of profit and loss when the asset is derecognized.

Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project, i.e., the estimated useful life of one to five years. Amortization is recognized in the restated consolidated statement of profit and loss. During the period of development, the asset is tested for impairment annually.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in the restated consolidated statement of profit and loss in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Impairment of non-financial assets

For all non-financial assets, the Group assesses whether there are indicators of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount for an asset or CGU is the higher of its value in use and fair value less costs of disposal. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount or CGU the asset is considered impaired and the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in the restated consolidated statement of profit and loss.

In assessing value in use, the estimated future cash flows of the asset or CGU 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit and loss.

k. Provisions and contingencies

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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the restated consolidated statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is a 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 recognized 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the restated consolidated financial information.

l. Retirement and other employee benefits

For defined benefit plans (gratuity), the liability or asset recognised in the restated consolidated statement of assets and liabilities is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the restated consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the restated consolidated statement of changes in equity and in the restated consolidated statement of assets and liabilities. Re-measurements are not reclassified to restated consolidated statement of profit and loss in subsequent periods.

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

The Group's contributions to defined contribution plans (provident fund) are recognized in restated consolidated statement of profit and loss when the employee renders related service. The Group has no further obligations under these plans beyond its periodic contributions.

The Group provides for liability at year end on account of un-availed earned leave as per actuarial valuation using projected unit credit method.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit payable under other financial liabilities in the restated consolidated statement of assets and liabilities.

m. Share-based payments

i) Equity-settled transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through restated consolidated statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii) Cash-settled transactions

For awards classified as cash settled share based transactions, the goods or services acquired are measured and the liability incurred, at the fair value of liability. Until the liability is settled, the fair value of the liability is re-measured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in restated consolidated statement of profit and loss for the period.

The cost of cash-settled transactions is determined by the fair value of equity instruments at each reporting date using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in liability, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The Group has set up an Employee Welfare Trust (EWT) for administering certain types of share-based payment arrangements including awards given to employees of the outside group companies as well for awards of options of other companies given to its employees. The Group uses EWT as a vehicle for distributing shares under the ESOP schemes. The EWT holds shares of the Group, for giving shares to employees. The Group treats EWT as its extension and shares of the Group held by EWT are treated as treasury shares. Other assets held by EWT are consolidated on a line-by-line basis with Group's Restated Consolidated Financial Information. Shares of other companies held by EWT for distribution to its employees are separately disclosed under investments.

n. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortized 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)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the restated consolidated statement of profit and loss. The losses arising from impairment are recognised in the restated consolidated statement of profit and loss. This category generally applies to trade and other receivables and is most relevant to the Group.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the restated consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to restated consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the restated consolidated statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to restated consolidated statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the restated consolidated statement of profit and loss.

Equity investments in associates and joint ventures are measured at cost. The investments are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, policy for impairment of non-financial assets is followed.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's restated consolidated statement of assets and liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenue. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss (ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and unbilled revenue and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the restated consolidated statement of profit and loss. This amount is reflected under the head other expenses in the restated consolidated statement of profit and loss. For the financial assets measured as at amortised cost ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the restated consolidated statement of assets and liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, lease liabilities, trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in restated consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the restated consolidated statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the restated consolidated statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in restated consolidated statement of profit and loss, unless designated as effective hedging instruments.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the restated consolidated statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Cash and cash equivalents

Cash and cash equivalent in the restated consolidated statement of assets and liabilities comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p. Leases

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and office premises. 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 contact 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 includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will 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, if any.

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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the restated consolidated statement of assets and liabilities and lease payments have been classified as financing cash flows

q. Earnings/ (loss) per share (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders by the weighted average number of Equity shares 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.

r. Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other reserve.

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions. Refer Note 34 for segment information presented.

t. Use of estimates

The Group is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities at the date of the Restated Consolidated Financial Information and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Group bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgements about carrying values of assets and liabilities.

u. Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group. Such income or expense is classified as an exceptional item and accordingly disclosed in the Restated Consolidated Financial Information. Significant impact on the Restated Consolidated Financial Information arising from impairment of goodwill, impairment of investments in associates and gain/ loss on disposal of subsidiaries and associates (other than major lines of business that meet the definition of a discontinued operations) are considered and reported as exceptional items.

v. Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(Amounts in INR Million, unless otherwise stated)

3(a). Property, plant and equipment

Particulars	Computers	Furniture and Fittings	Leasehold Improvements	Vehicles	Office Equipments	Plant & Machinery^	Total
Gross carrying amount							
As at April 1, 2018	2,232	71	255	15	189	-	2,762
Acquisition of Business (refer note 43)	34	5	-	-	6	*	45
Additions	883	29	70	-	152	4	1,138
Foreign Currency Translation Reserve	(3)	*	(1)	-	*	-	(4)
Discontinued Operations (Refer note 42)	3	-	-	-	*	-	3
Disposals	108	3	*	-	*	*	111
As at March 31, 2019	**3,035**	**102**	**324**	**15**	**347**	**4**	**3,827**
As at April 1, 2019	3,035	102	324	15	347	4	3,827
Additions	565	9	24	-	19	1,261	1,878
Foreign Currency Translation Reserve	3	*	3	-	*	-	6
Disposals	150	11	2	-	12	-	175
As at March 31, 2020	**3,453**	**100**	**349**	**15**	**354**	**1,265**	**5,536**
As at April 1, 2020	3,453	100	349	15	354	1,265	5,536
Additions	360	6	92	8	45	1,359	1,870
Foreign Currency Translation Reserve	2	1	4	-	1	-	8
Disposals	76	38	198	12	90	2	416
As at March 31, 2021	**3,739**	**69**	**247**	**11**	**310**	**2,622**	**6,998**
Accumulated depreciation							
As at April 1, 2018	967	29	61	5	88	-	1,150
Acquisition of Business (refer note 43)	13	1	-	-	1	*	15
For the year	616	15	47	3	59	3	743
Foreign Currency Translation Reserve	(2)	*	*	-	*	-	(2)
Discontinued Operations (Refer note 42)	2	-	-	-	*	-	2
Disposals	75	1	-	-	*	-	76
As at March 31, 2019	**1,517**	**44**	**108**	**8**	**148**	**3**	**1,828**
As at April 1, 2019	1,517	44	108	8	148	3	1,828
For the year	775	16	49	2	43	341	1,226
Foreign Currency Translation Reserve	2	1	1	-	*	-	4
Disposals	126	3	1	-	8	-	138
As at March 31, 2020	**2,168**	**58**	**157**	**10**	**183**	**344**	**2,920**
As at April 1, 2020	2,168	58	157	10	183	344	2,920
For the year	597	9	129	2	42	679	1,458
Foreign Currency Translation Reserve	1	*	1	-	*	-	2
Disposals	58	26	204	9	76	1	374
As at March 31, 2021	**2,708**	**41**	**83**	**3**	**149**	**1,022**	**4,006**
Net carrying amount							
As at March 31, 2021	**1,031**	**28**	**164**	**8**	**161**	**1,600**	**2,992**
As at March 31, 2020	**1,285**	**42**	**192**	**5**	**171**	**921**	**2,616**
As at March 31, 2019	**1,518**	**58**	**216**	**7**	**199**	**1**	**1,999**

Notes:

(i) Capital work in progress

Capital work in progress mainly comprises of servers. Further, Capital work-in-progress includes expenditure of INR 41 (March 31, 2020: INR 42; March 31, 2019: INR 114) relating to expenses incurred on construction.

(ii) Refer to note 29 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

^ Plant and machinery includes Gross carrying amount INR 1,831 (March 31, 2020: INR 841; March 31, 2019: INR Nil), Accumulated depreciation INR 780 (March 31, 2020: INR 226; March 31, 2019: INR Nil), Net carrying amount INR 1,051 (March 31, 2020: INR 615; March 31, 2019: INR Nil) of point-of-sale machines and sound boxes installed at customer premise.

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

3 (b). Leases

Movement of Right-of-use assets

Particulars	Right-of-use Leasehold Land	Right-of-use Office Premises	Total
Gross carrying amount			
As at April 1, 2018	-	1,277	1,277
Additions	851	1,038	1,889
Disposals	-	(103)	(103)
As at March 31, 2019	**851**	**2,212**	**3,063**
Ind AS 116 transition adjustment	-	(181)	(181)
As at April 1, 2019	851	2,031	2,882
Additions	-	146	146
Disposals	-	-	-
As at March 31, 2020	**851**	**2,177**	**3,028**
As at April 1, 2020	851	2,177	3,028
Additions	-	296	296
Disposals	-	(1,426)	(1,426)
As at March 31, 2021	**851**	**1,047**	**1,898**
Accumulated depreciation			
As at April 1, 2018	-	-	-
Charge for the year	7	308	315
Disposals	-	-	-
As at March 31, 2019	**7**	**308**	**315**
Ind AS 116 transition adjustment	-	(308)	(308)
As at April 1, 2019	7	-	7
Charge for the year	10	337	347
Disposals	-	-	-
As at March 31, 2020	**17**	**337**	**354**
As at April 1, 2020	17	337	354
Charge for the year	10	251	261
Disposals	-	-	-
As at March 31, 2021	**27**	**588**	**615**
Net carrying amount			
As at March 31, 2021	**824**	**459**	**1,283**
As at March 31, 2020	**834**	**1,840**	**2,674**
As at March 31, 2019	**844**	**1,904**	**2,748**

Lease Liabilities

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Lease liability on land - Current	114	102	99
Lease liability on land - Non Current	62	175	270
Lease liabilities on office premises - Current	130	270	224
Lease liabilities on office premises - Non Current	365	1,647	1,768
Total	**671**	**2,194**	**2,361**

Amounts recognised in Restated Consolidated Statement of Profit and Loss

Particulars	Notes	March 31, 2021	March 31, 2020	March 31, 2019
Depreciation charge of Right-of-use assets				
Land		10	10	7
Office Premises#		246	260	121
Total	18	**256**	**270**	**128**

Particulars	Notes	March 31, 2021	March 31, 2020	March 31, 2019
Interest expense (included in finance cost)	17	123	218	217
Expense relating to short-term lease (included in other expenses)	19	92	148	128

Net of, INR 5 (March 31, 2020: INR 77; March 2019: INR 187) which has been cross charged. Net depreciation charge of Right-of-use assets in profit & loss is INR 256 (March 31, 2020: INR 270; March 2019: INR 128).

During the year ended March 31, 2021 and March 31, 2019, the Group has given notice to vacate certain office premises. This has been accounted as lease termination. Hence, in accordance with Ind AS 116, Lease Liability has been re-measured by INR 1,476 (March 31, 2020: Nil; March 31, 2019: INR 103) with corresponding adjustment to Right of Use assets amounting to INR 1,426 (March 31, 2020: Nil; March 31, 2019: INR 103) and the remaining balance has been recognized in the restated consolidated statement of profit and loss.

The total cash outflow for leases for the year is INR 469 (March 31, 2020: INR 509; March 2019: INR 258).

Extension and termination options:
Extension and termination options are included in certain leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group’s operations. In certain cases, the extension and termination options held are exercisable only by the Group and not by the respective lessor.

(Amounts in INR Million, unless otherwise stated)

First time adoption of Ind AS 116- Leases

Effective April 1, 2019 the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Right-of-use of assets (ROU) are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and any initial direct costs less any lease incentives received. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

For the purpose of preparing restated consolidated financial information, Ind AS 116 has been applied retrospectively with effect from April 1, 2018

The following is the summary of practical expedients elected on initial application:
1. Applying a single discount rate to a portfolio of leases with reasonably similar characteristics
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
4. The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, determining whether an arrangement contains a lease.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2018 is 10%.

The effect of adoption of Ind AS 116 is as follows:

Particulars	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Restated consolidated statement of assets and liabilities			
Assets			
Non-current assets			
Right-of-use assets	1,283	2,674	2,748
Total assets	**1,283**	**2,674**	**2,748**
Liabilities			
Lease liabilities - Non current	427	1,822	2,038
Lease liabilities - Current	244	372	323
Total liabilities	**671**	**2,194**	**2,361**
Restated consolidated statement of profit and loss			
Depreciation on right-of-use assets*	256	270	128
Depreciation on property, plant and equipment (refer part A of Annexure VI)	-	-	(7)
Rent	(338)	(306)	(157)
Finance cost on lease liabilities	123	218	217
Interest and finance charge on lease liabilities (refer part A of Annexure VI)	-	-	(44)
Gain on termination of lease contracts	(50)	-	-
Impact on restated loss for the year	**(9)**	**182**	**137**
Restated consolidated statement of cash flows			
Net cash inflow from operating activities (A)	**343**	**383**	**150**
Net cash outflow from financing activities (B)	**(343)**	**(383)**	**(150)**
Net increase in cash and cash equivalents during the year (A+B)	-	-	-

*This amount is net of cross charge of INR 5 (March 31, 2020: INR 77, March 31, 2019: INR 187)
There is no material impact on other comprehensive income or on basic and diluted earning per share.

The above statement should be read with Annexure VI - Statement of Adjustments to the Restated Consolidated Financial Information.

(Amounts in INR Million, unless otherwise stated)

4. Intangible assets

Particulars	Customer Relationship	Brand	Non-Compete	Software	Internally Generated Software	Total	Goodwill
Gross carrying amount							
As at April 1, 2018	251	435	39	486	101	1,312	3,122
Acquisition of Business (refer note 43)	-	13	-	39	-	52	1,009
Additions	-	-	-	137	-	137	-
Foreign Currency Translation Reserve	-	-	-	1	1	2	-
Disposals	-	-	-	209	-	209	-
As at March 31, 2019	**251**	**448**	**39**	**454**	**102**	**1,294**	**4,131**
As at April 1, 2019	251	448	39	454	102	1,294	4,131
Additions	-	-	-	73	-	73	-
Foreign Currency Translation Reserve	-	-	-	-	2	2	-
Disposals	-	-	-	-	-	-	2
As at March 31, 2020	**251**	**448**	**39**	**527**	**104**	**1,369**	**4,129**
As at April 1, 2020	251	448	39	527	104	1,369	4,129
Additions	-	-	-	65	-	65	-
Foreign Currency Translation Reserve	-	-	-	-	*	*	-
As at March 31, 2021	**251**	**448**	**39**	**592**	**103**	**1,433**	**4,129**

Particulars	Customer Relationship	Brand	Non-Compete	Software	Internally Generated Software	Total	Goodwill
Accumulated amortisation and impairment							
As at April 1, 2018	18	32	4	179	89	322	-
For the year	50	96	8	84	7	245	-
Impairment loss for the year (refer note 36)	-	-	-	-	-	-	1,201
Foreign Currency Translation Reserve	-	-	-	*	1	1	-
Disposals	-	-	-	8	-	8	-
As at March 31, 2019	**68**	**128**	**12**	**255**	**97**	**560**	**1,201**
As at April 1, 2019	68	128	12	255	97	560	1,201
For the year	49	90	8	100	2	249	-
Impairment loss for the year (refer note 36)	122	221	13	25	-	381	2,463
Foreign Currency Translation Reserve	-	-	-	*	1	1	-
Disposals	-	-	-	-	-	-	2
As at March 31, 2020	**239**	**439**	**33**	**380**	**100**	**1,191**	**3,662**
As at April 1, 2020	239	439	33	380	100	1,191	3,662
For the year	4	*	3	63	1	71	-
Foreign Currency Translation Reserve	-	-	-	-	*	*	-
Disposals	-	-	-	-	-	-	-
As at March 31, 2021	**243**	**439**	**36**	**443**	**101**	**1,262**	**3,662**

Particulars	Customer Relationship	Brand	Non-Compete	Software	Internally Generated Software	Total	Goodwill
Net carrying amount							
As at March 31, 2021	**8**	**9**	**3**	**149**	**2**	**171**	**467**
As at March 31, 2020	**12**	**9**	**6**	**147**	**4**	**178**	**467**
As at March 31, 2019	**183**	**320**	**27**	**199**	**5**	**734**	**2,930**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

5. Investment in joint ventures and associates

5 (a) Investment in joint venture - Non Current

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Unquoted equity shares (Fully paid up)			
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) (refer note 24) 68,233,850 (March 31, 2020 : 68,233,850; March 31, 2019 : 59,678,300) equity shares of INR 10 each	-	762	460
	-	**762**	**460**

5 (b) Investment in associates - Non Current

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Unquoted equity shares (Fully paid up)			
Paytm Payments Bank Limited 195,904,900 (March 31, 2020 : 195,904,900; March 31, 2019: 195,904,900) equity shares of INR 10 each	2,006	1,914	1,901
Paytm General Insurance Limited 980,000 (March 31, 2020 : 490,000; March 31, 2019: 49,000) equity shares of INR 10 each	-	-	*
Paytm Life Insurance Limited 49,000 (March 31, 2020 : 49,000; March 31, 2019: 49,000) equity shares of INR 10 each	*	*	*
Paytm Financial Services Limited (refer note (iii) below) 2,000,000 (March 31, 2020 : Nil; March 31, 2019: Nil) equity shares of face value of INR 10 each	19	-	-
Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) (refer note (iii) below) 2,560,938 (March 31, 2020 : Nil; March 31, 2019 : Nil) equity shares of face value of INR 10 each	-	-	-
Eatgood Technologies Private Limited (refer note (ii) below) 2,879 (March 31, 2020 : 2,879; March 31, 2019: Nil) equity shares of INR 10 each	-	19	-
Total (A)	**2,026**	**1,933**	**1,902**
Unquoted compulsorily convertible preference shares (Fully paid up)			
Loginext Solutions Private Limited (refer note (i) below) Nil (March 31, 2020 : 279,443 ; March 31, 2019: 279,443) Compulsorily Convertible Preference share of face value of INR 10 each	-	-	100
Socomo Technologies Private Limited (refer note (ii) below) 28,800 (March 31, 2020 : 28,800; March 31, 2019: 28,800) Compulsorily Convertible Preference share of face value of INR 1 each	-	-	-
Infinity Transoft Solutions Private Limited 3,618 (March 31, 2020 : 3,618; March 31, 2019: Nil) Compulsorily Convertible Preference share of face value of INR 10 each	86	96	-
Eatgood Technologies Private Limited (refer note (ii) below) 72,373 (March 31, 2020 : 61,680; March 31, 2019 : Nil) Compulsorily Convertible Preference share of face value of INR 100 each	205	439	-
Total (B)	**291**	**535**	**100**
Grand Total [A+B]	**2,317**	**2,468**	**2,002**
Aggregate amount of unquoted investments	**2,317**	**2,468**	**2,002**
Aggregate amount of impairment in the value of investment	**728**	**798**	**698**

*Amount below rounding off norms adopted by the Group
(i) During the year ended March 31, 2021, the Group ceased to have significant influence over the entity and the interest held in the entity is recognised at fair value and is disclosed under note 6(b). Investment is net of provision for impairment amounting to INR 370 as on March 31, 2020 and INR 270 as on March 31, 2019.
(ii) Net of provision for impairment amounting to INR 428 (March 31, 2020 : 428; March 31, 2019 : 428) and INR 300 (March 31, 2020 : Nil; March 31, 2019 : Nil) for Socomo Technologies Private Limited and Eatgood Technologies Private Limited, respectively.
(iii) Converted to investment in associate during the year ended March 31, 2021 and recognised at fair value on date of loss of control.

6 (a). Investments

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Investments at fair value through profit and loss			
Mutual Funds (Quoted) - Current			
Aditya Birla Sun life Mutual Fund Nil units (March 31, 2020: 94,919 units; March 31, 2019: Nil units)	-	30	-
Aditya Birla Sun life Liquid Fund - Growth - Direct Plan Nil units (March 31, 2020 :7,982,579 units; March 31, 2019: Nil units)	-	2,551	-
Axis Liquid Fund- Direct Growth Nil units (March 31, 2020: 1,163,693 units; March 31, 2019: 231,675 units)	-	2,625	480
Axis Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 11,161 units; March 31, 2019: 49,112 units)	-	25	102
DSP BlackRock Liquidity Fund-Direct Plan-Growth Nil units (March 31, 2020: Nil units; March 31, 2019: 13 units)	-	-	*
DSP Liquidity Fund-Direct Plan-Growth Nil units (March 31, 2020: 896,425 units; March 31, 2019: Nil units)	-	2,546	-
HDFC floating rate debt fund - Growth Direct Plan Nil units (March 31, 2020: Nil units; March 31, 2019: 3,287 units)	-	-	12
HDFC Liquid Fund-Direct Plan-Growth Option Nil units (March 31, 2020: 12,906 units; March 31, 2019: Nil units)	-	50	-
ICICI Prudential Liquid Fund - Direct Plan - Growth Nil units (March 31, 2020: 3,491,962 units; March 31, 2019: 22,681,730 units)	-	1,026	6,270

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ICICI Prudential Liquid - Direct Plan - Growth (refer note (i) below) Nil units (March 31, 2020: 5,139,147 units; March 31, 2019: 5,139,147 units)	-	1,510	1,420
ICICI Prudential MF-Floating Int Fund Nil Units (March 31, 2020: 4,218 units; March 31, 2019: 18,319 units)	-	1	5
IDFC Cash Fund Direct Plan - Growth Nil units (March 31, 2020: 1,010,455 units; March 31, 2019: 10,068 units)	-	2,427	23
Nippon India Liquid Fund - Direct Plan Growth Plan Nil units (March 31, 2020: 458,378 units; March 31, 2019: Nil units)	-	2,223	-
Kotak Liquid Fund Direct Plan Growth Nil units (March 31, 2020: 618,403 units; March 31, 2019: 843 units)	-	2,483	3
Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option Nil units (March 31, 2020: Nil units; March 31, 2019: 1,677,500 units)	-	-	7,653
SBI Liquid Fund- Direct - Growth (Formerly SBI Premier Liquid Fund) Nil units (March 31, 2020: 798,613 units; March 31, 2019: 2,597,386 units)	-	2,483	7,607
SBI Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 7,600 units; March 31, 2019: 7,600 units)	-	24	22
UTI Liquid Fund - Direct- Growth Option Nil units (March 31, 2020: 11,897 units; March 31, 2019: 25,319 units)	-	39	77
UTI- Liquid Fund -Cash Plan-Growth Direct Nil units (March 31, 2020: 683,599 units; March 31, 2019: 102,459 units)	-	2,223	314
Total (A)	**-**	**22,266**	**23,988**

	Non-Current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Investments at amortised cost						
Debt instruments (quoted)						
LIC Housing Finance Limited 8.75% 21 Dec 2020 Nil (March 31, 2020 : 500; March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,018,877 each	-	-	-	-	509	-
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,000,000 each	-	500	-	500	3	-
Kotak Mahindra Prime Ltd 7.50% NCD 10 Nov 2020 Nil (March 31, 2020 : 250; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,006,960 each	-	-	-	-	257	-
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 250; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,009,252 each	-	-	-	-	264	-
HDFC Series W-001 7.15% 16 Sep 2021 250 (March 31, 2020 : 250; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,003,676 each	-	251	-	251	7	-
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2020 : 500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 999,978 each	-	500	-	500	3	-
HDFC Series V-002 8.51% 15 July 2020 Nil (March 31, 2020 : 2,000; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,009,226 each	-	-	-	-	2,111	-
Kotak Mahindra Investments Ltd 0% 28 Oct 2021 250 (March 31, 2020 : 250; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 883,748 each	-	221	-	221	-	-
LIC Housing Finance Limited 8.80% 24 Dec 2020 Nil (March 31, 2020 : 1,000; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,018,617 each	-	-	-	-	1,028	-
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,020,747 each	-	-	-	-	510	-
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 Nil (March 31, 2020 : 500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,020,528 each	-	-	-	-	510	-
Kotak Mahindra Prime Ltd 0% 9 Sep 2020 Nil (March 31, 2020 : 1,000; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 967,368 each	-	-	-	-	967	-
HDFC Series U-008 8.70% 15 Dec 2020 Nil (March 31, 2020 : 500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,017,216 each	-	-	-	-	514	-
Bajaj Finance Limited Secured 7.2525% 10 Nov 2020 Nil (March 31, 2020 : 1,500; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,004,575 each	-	-	-	-	1,540	-
HDFC Series U-010 8.62% 15 Oct 2020 Nil (March 31, 2020 : 1,100; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,012,261 each	-	-	-	-	1,150	-
LIC Housing Finance Limited 8.75 % NCD 8 Mar 2021 Nil (March 31, 2020 : 250; March 31, 2019: Nil) Redeemable Non Convertible Debentures of INR 1,020,750 each	-	-	-	-	255	-
LIC Housing Finance Limtied 7.085% NCD 23 April 2019 Nil (March 31, 2020: Nil; March 31, 2019: 1000) Redeemable Non Convertible Debentures of INR 1,000,000 each	-	-	-	-	-	991
Total (B)	**-**	**1,472**	**-**	**1,472**	**9,628**	**991**
Total investments [A+B]	**-**	**1,472**	**-**	**1,472**	**31,894**	**24,979**

(Amounts in INR Million, unless otherwise stated)

6 (b). Investments - Non Current	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Investments at fair value through OCI (refer note (ii) below)			
Unquoted equity shares (Fully paid up)			
Ciqual Limited (refer note (iii) and (iv) below) Nil (March 31, 2020: 2,943,276; March 31, 2019 2,943,276) equity shares of GBP 0.01 each	-	-	-
Highorbit Careers Private Limited (refer note (vii) below) Nil (March 31, 2020 : Nil, March 31, 2019 : 235) equity shares of INR 10 each	-	-	4
ZEPO Technologies Private Limited 3,458 (March 31, 2020 : 3,458; March 31, 2019 : 3,458) Equity shares of face value INR 10 each	23	23	23
Red Pixels Ventures Limited 1,093 (March 31, 2020 : 1,093; March 31, 2019: 1,093) Equity shares of face value INR 10 each	4	4	4
Plivo Inc. (refer note (iii) below) 793,696 (March 31, 2020 : 793,696; March 31, 2019: 793,696) common stock of USD 1 each.	-	49	49
Software Is Correct INC (refer note (iii) below) 50,000 (March 31, 2020 : 50,000; March 31, 2019: 50,000) common stock of USD 1 each	-	-	-
Stock acquisition rights (PayPay Corporation)	221	-	-
Total (A)	**248**	**76**	**80**
Investments at fair value through Profit and loss			
Unquoted Compulsorily Convertible Preference shares (Fully paid up)			
Raining Clouds Tech Private Limited (refer note (iii) below) 3,620 (March 31, 2020 : 3,620; March 31, 2019: 3,620) Redeemable Convertible Preference Shares of INR 10 each	-	-	-
Busy Bees Logistics Solution Private Limited (refer note (v) below) Nil (March 31, 2020 : 18,121; March 31, 2019: 18,121) Compulsorily Convertible Preference share of face value of INR 10 each	-	592	822
Avenues Payments India Private Limited (refer note (iii) below) 11,379 (March 31, 2020 : 11,379; March 31, 2019: 11,379) Compulsorily Convertible Preference share of face value of INR 100 each	-	-	70
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 289; March 31, 2019: 289) Compulsorily Convertible Preference share of face value INR 100 each	-	4	4
Loginext Solutions Private Limited (refer note (iii) and (vi) below) 279,443 (March 31, 2020 : Nil; March 31, 2019 : Nil) Compulsorily Convertible Preference share of face value of INR 10 each	-	-	-
Rooter Sports Technologies Private Limited, 1,160 (March 31, 2020 : Nil; March 31, 2019 : Nil) Compulsorily Convertible Preference share of face value INR 10 each	40	-	-
	40	**596**	**896**
Unquoted equity shares (Fully paid up)			
Paytm E-commerce Private Limited 4,837 (March 31, 2020 : 2,105; March 31, 2019: 1,792) Equity shares of face value INR 10 each held by Employee Welfare Trust	53	101	57
Pilani Experts Technology Labs Private Limited (refer note (v) below) Nil (March 31, 2020 : 1,277; March 31, 2019: 1,277) equity shares of INR 10 each	-	31	18
	53	**132**	**75**
Total (B)	**93**	**728**	**971**
Total Non Current investments [A+B]	**341**	**804**	**1,051**
Total Current Investments	1,472	31,894	24,979
Total Non-Current Investments	341	2,276	1,051
	1,813	**34,170**	**26,030**
Aggregate book value of unquoted investments	**341**	**804**	**1,051**
Aggregate book value of quoted investments	**1,472**	**33,366**	**24,979**
Aggregate market value of quoted investments	**1,472**	**33,366**	**24,979**

Notes to 6 (a) and 6 (b) above

(i) As on March 31 , 2020 ICICI Prudential Liquid - Direct Plan - Growth amounting to INR 1400 was marked under lien by bank for bank overdraft, working capital demand loan and term loan. As on March 31, 2019 amounting to INR 1421 was marked under lien by bank for bank overdraft. No such lien exist on March 31, 2021.
(ii) Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note 31 for determination of their fair values.
(iii) The Group holds these investments, however the fair value is Nil.
(iv) The company has been dissolved during the year ended March 31, 2021. During year ended March 31, 2019, Ciqual Limited converted 27,876,274 loan notes of GBP 0.01 each into 2,815,787 ordinary shares of GBP 0.01 each.
(v) Investment disposed off during the year ended March 31, 2021.
(vi) During the year ended March 31, 2021, the Group ceased to have significant influence over the entity and the interest held in the entity has been recognised at fair value.
(vii) Investment disposed off during the year ended March 31, 2020.

(Amounts in INR Million, unless otherwise stated)

6 (c). Loans

	Non-Current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Inter Corporate Loans#						
With related parties (refer note 26)	-	-	-	1,279	-	-
Others	-	-	-	555	242	2,764
Less: Loss allowance for inter corporate loans	-	-	-	(223)	-	-
Security deposits	1,259	1,556	1,075	954	460	324
Less: Loss allowance for security deposits	(1)	(1)	(1)	(1)	-	-
	1,258	**1,555**	**1,074**	**2,564**	**702**	**3,088**

Break-up of security details

	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good	1,258	1,555	1,074	2,564	702	3,088
Loans which have significant increase in credit risk	1	1	1	224	-	-
Loans Credit Impaired	-	-	-	-	-	-
	1,259	**1,556**	**1,075**	**2,788**	**702**	**3,088**
Less: Loss allowance	(1)	(1)	(1)	(224)	-	-
Total Loans	**1,258**	**1,555**	**1,074**	**2,564**	**702**	**3,088**

Inter corporate loans are given after complying with the provisions of section 186 of the Companies Act, 2013. The loans have been given in accordance with terms and conditions of the underlying agreements. Outstanding loans carry interest rate in the range of 5.10% to 12%. (March 31, 2020: 9% to 10%; March 31, 2019: 8% to 10%)

6 (d). Other financial assets

		Non-current			Current		
		As at			As at		
		March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Bank balances							
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 9(a))		2,506	13,517	30	-	-	-
Others							
Loan to employees		-	-	-	1	-	36
Other advances recoverable in cash		-	-	-	242	102	248
Accrued Interest on Debt Instruments measured at amortised cost		-	-	-	46	81	74
Interest accrued but not due on fixed deposits		107	223	6	1,382	41	49
Interest accrued on security deposit		-	-	-	87	-	-
Other receivable from other parties (refer note 38)		-	5,852	-	6,251	-	-
Unbilled revenue		-	-	-	1,465	1,978	2,138
Unbilled revenue - related parties (refer note 26)		-	-	-	113	145	-
Less: Loss allowance for unbilled revenue		-	-	-	(258)	(201)	(178)
	A	**2,613**	**19,592**	**36**	**9,329**	**2,146**	**2,367**
Amount recoverable from Payment Gateway banks*							
Unsecured, considered good							
Amount recoverable from other parties		-	-	-	5,054	2,617	6,515
Amount recoverable from related parties (refer note 26)		-	-	-	8,546	2,864	5,110
Unsecured, considered doubtful							
Amount recoverable from other parties		-	-	-	21	30	30
		-	-	-	13,621	5,511	11,655
Less : Loss allowance		-	-	-	(21)	(30)	(30)
	B	**-**	**-**	**-**	**13,600**	**5,481**	**11,625**
Unsecured, considered good							
Amount recoverable from related parties (refer note 26)#		-	128	251	625	1,284	340
Amount recoverable from other parties (refer note 38)		-	-	1,084	199	1,296	2,976
	C	**-**	**128**	**1,335**	**824**	**2,580**	**3,316**
Total [A+B+C]		**2,613**	**19,720**	**1,371**	**23,753**	**10,207**	**17,308**

#The Group has off-set the payable of INR 2,111 (March 31, 2020: INR 1,415; March 31, 2019: INR 4,810) with the advance of INR 2,278 (March 31, 2020: INR 2,260; March 31, 2019: INR 2,710) as the Group has contractual right to offset the payable with the advance and also has the intention to settle the same on a net basis. As on March 31, 2019, the net payable of INR 2,100 has been disclosed as merchant payable under other financial liabilities.

* The amount represent recoverable from payment gateway banks on account of credit card/debit card and net banking transactions related to third party merchants.

Break up of financial assets carried at amortised cost

	Non-current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Trade receivables (refer note 7)	-	-	-	3,393	3,010	2,584
Cash and cash equivalents (refer note 9(a))	-	-	-	5,468	4,232	3,255
Bank balances other than cash and cash equivalents (refer note 9(b))	-	-	-	23,296	1,170	1,358
Security deposits (refer note 6(c))	1,258	1,555	1,074	953	460	324
Inter corporate loans (refer note 6(c))	-	-	-	1,611	242	2,764
Others (refer note 6 (d))	2,613	13,868	1,371	17,502	10,207	17,308
Investments (refer note6 (a))	-	1,472	-	1,472	9,628	991
	3,871	**16,895**	**2,445**	**53,695**	**28,949**	**28,584**

Break up of financial assets carried at fair value

	Non-current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Investments at fair value through OCI (Refer note 6(b))	248	76	80	-	-	-
Investments at fair value through Profit and loss (Refer note 6(a) & 6(b))	93	728	971	-	22,266	23,988
Receivable at FVTPL (Rerfer Note 6(d))	-	5,852	-	6,251	-	-
	341	**6,656**	**1,051**	**6,251**	**22,266**	**23,988**

(Amounts in INR Million, unless otherwise stated)

7. Trade receivables

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade Receivables	4,375	3,935	3,252
Receivables from related parties (Refer notes (i) & (ii) below)	253	41	161
Receivables from other parties (Refer notes 38)	77	193	18
Less: Loss allowance	(1,312)	(1,159)	(847)
	3,393	**3,010**	**2,584**
Current	3,393	3,010	2,584
Non-current	-	-	-

Break-up of security details	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade receivables			
Secured, considered good	-	-	-
Unsecured, considered good	3,999	3,450	2,917
Trade receivable which have significant increase in credit risk	-	-	-
Trade receivable Credit Impaired	706	719	514
	4,705	**4,169**	**3,431**
Impairment allowance on trade receivables			
Less: Loss allowance	(1,312)	(1,159)	(847)
Total Trade receivables	**3,393**	**3,010**	**2,584**

(i) No trade or other receivable are due from directors or other officers of the Holding Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 26.

(ii) For related party receivables, refer note 26

(iii) Trade receivables are non-interest bearing and carry a credit period of upto 90 days.

8. Other assets

		Non-current As at			Current As at		
		March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Capital advances							
Unsecured, considered good		179	53	23	-	-	-
Doubtful		1	1	1	-	-	-
		180	54	24	-	-	-
Less Provision for doubtful advances		(1)	(1)	(1)	-	-	-
	A	**179**	**53**	**23**	**-**	**-**	**-**
Advances other than capital advances							
Advances to vendors							
Unsecured, considered good		1,776	203	999	4,850	5,923	8,589
Doubtful		-	-	-	140	121	46
		1,776	203	999	4,990	6,044	8,635
Less Provision for doubtful advances		-	-	-	(140)	(121)	(46)
	B	**1,776**	**203**	**999**	**4,850**	**5,923**	**8,589**
Others							
Balances with government authorities							
Goods and services tax input credit		627	275	-	5,623	5,068	3,789
Value Added Tax (VAT) credit receivable		-	-	-	5	5	10
Advance tax [net of provision]		-	-	-	4	*	-
Prepayments		204	311	334	768	644	688
Advances to related parties# (refer note 26)		-	-	-	2,802	1,501	1,061
	C	**831**	**586**	**334**	**9,202**	**7,219**	**5,548**
Total (A+B+C)		**2,786**	**842**	**1,356**	**14,052**	**13,142**	**14,137**

*Amount below rounding off norms adopted by the Group

#No advances are recoverable from directors or other officers of the Holding Company either severally or jointly with any other person. Nor any advance are recoverable from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 26.

9(a). Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash and cheque on hand	1	34	1
Balance with banks			
- On current accounts	2,606	4,025	3,041
- Deposits with original maturity for less than 3 months	2,861	173	213
	5,468	**4,232**	**3,255**

Notes :

(a) There are no repatriation restrictions with regard to cash and cash equivalents as at year ended March 31, 2021, March 31, 2020 and March 31, 2019.

(b) Fixed deposits amounting to INR 10,121 (March 31, 2020: 781, March 31, 2019: 1090) included in note 6(d) and 9(b) are marked under lien by banks for providing bank overdraft, working capital demand loan and issuing bank guarantees under various contract.

(c) Fixed deposits included in note 6(d) and 9(b) with a carrying amount of INR Nil (March 31, 2020 : INR Nil, March 31, 2019 : INR 3) are subject to first charge to secure the Company's Working Capital facility.

For the purpose of the restated consolidated statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash and cheque on hand	1	34	1
Balance with banks			
- On current accounts	2,606	4,025	3,041
- Deposits with original maturity of less than 3 months	2,861	173	213
	5,468	**4,232**	**3,255**
Other bank balances			
Bank overdraft*	(5,014)	(70)	(6,956)
	(5,014)	**(70)**	**(6,956)**
Cash and cash equivalents for the purpose of restated consolidated statement of cash flows	**454**	**4,162**	**(3,701)**

*Bank borrowings are generally considered to be financing activities. However, bank overdrafts which are repayable on demand and form an integral part of an entity's cash management are included as a component of cash and cash equivalents.

9(b). Bank balances other than cash and cash equivalents	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than 3 months but less than 12 months (Refer footnote (b) to note 9(a))	6,065	317	373
Deposits with original maturity for more than 12 months (Refer footnote (b) to note 9(a))	17,231	853	985
	23,296	**1,170**	**1,358**

(Amounts in INR Million, unless otherwise stated)

10. Share capital and other equity

10 (a). Share Capital

	Number of Shares	Amount
Authorised equity share capital		
As at April 1, 2018	56,100,000	561
Increase/ (decrease) during the year	48,006,600	480
As at March 31, 2019	**104,106,600**	**1,041**
Increase/ (decrease) during the year	-	-
As at March 31, 2020	**104,106,600**	**1,041**
Increase/ (decrease) during the year	-	-
As at March 31, 2021	**104,106,600**	**1,041**
Authorized preference share capital		
As at April 1, 2018	2,759,000	480
Increase/ (decrease) during the year**	(2,759,000)	(480)
As at March 31, 2019	**-**	**-**
Increase/ (decrease) during the year	-	-
As at March 31, 2020	-	**-**
Increase/ (decrease) during the year	-	-
As at March 31, 2021	**-**	**-**

**Converted into authorised equity share capital in the ratio 1: 17.4

Terms/ rights attached to equity shares
All the equity shares issued shall rank pari passu and have a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held only.

Issued, subscribed and fully paid up shares	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
60,482,404 (March 31, 2020 : 60,435,025; March 31, 2019: 57,533,866) equity shares of INR 10 each fully paid up	605	604	575
Total issued, subscribed and fully paid-up share capital	**605**	**604**	**575**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2021		March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year#	60,187,655	604	57,256,129	575	54,998,632	553
Shares issued during the year##	29,979	*	2,803,511	28	2,094,650	20
Shares issued during the year - ESOP	42,379	*	128,015	1	162,847	2
Shares outstanding at the end of the year#	**60,260,013**	**605**	**60,187,655**	**604**	**57,256,129**	**575**

*Amount below rounding off norms adopted by the Group
Net of treasury shares 222,391 (March 31, 2020: 247,370; March 31, 2019: 277,737, April 1, 2018: 326,639) at nil cost through employee welfare trust
Includes shares issued during the year ended March 31, 2021: 24,979 (March 31, 2020: 30,367; March 31, 2019: 48,902) out of treasury shares

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

Name of shareholder	March 31, 2021		March 31, 2020		March 31, 2019	
	Number of Shares held	% holding	Number of Shares held	% holding	Number of Shares held	% holding
Antfin (Netherlands) Holding B.V.	18,330,122	30.31%	18,330,122	30.33%	-	-
Alipay Singapore E-Commerce Private Limited	-	-	-	-	17,544,525	30.49%
SVF India Holding (Cayman) Limited	11,326,223	18.73%	11,326,223	18.74%	11,326,223	19.69%
Mr.Vijay Shekhar Sharma	9,051,624	14.97%	9,051,624	14.98%	9,051,624	15.73%
SAIF III Mauritius Company Limited	7,491,061	12.39%	7,491,061	12.40%	7,491,061	13.02%
Alibaba.com Singapore E-Commerce Private Limited	4,428,214	7.32%	4,428,214	7.33%	4,428,214	7.70%
SAIF Partners India IV Limited	3,180,202	5.26%	3,180,202	5.26%	3,180,202	5.53%

c. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock options plan (ESOP) of the Company (refer note 25).

d. Aggregate number of bonus shares issued, shares bought back and share issued for consideration other than cash during the period of five years immediately preceding the reporting dates i.e. March 31, 2021, March 31, 2020 and March 31, 2019:

The Holding Company has not issued any shares for consideration other than cash during the year ended March 31, 2021 (March 31, 2020: Nil shares, March 31, 2019: 333,035 shares issued for consideration other than cash; March 31, 2018: Nil shares; March 31, 2017: Nil shares; March 31, 2016: Nil shares; March 31, 2015: Nil shares). The Holding Company has not issued bonus shares and has not bought back shares during the period of five years immediately preceding the reporting date.

e. Instruments entirely equity in nature
Consequent to framework agreement entered on November 30, 2017 between the Holding Company, Little Internet Private Limited ('LI'), Shareholders of LI, Nearbuy India Private Limited ('NBI'), and Shareholders of NBI, the shareholders of NBI swapped their shares in NBI with shares in LI, resulting in their becoming 37% shareholders of LI and NBI becoming wholly owned subsidiary of LI. The Holding Company through further restructuring of its existing investments in LI (5%) and Little Singapore Pte Limited ('LS') (27%), as well as through its obligation to issue further shares amounting to INR 1,736 to other shareholders of LI, became 63% shareholder in LI. The restructuring of existing investment in LI and LS, as discussed above, resulted in LS buying back 27% stake of the Holding Company in LS for INR 774 and the Holding Company further infusing INR 835 in LI. The buyback resulted in the Holding Company recording gain of INR 441. Holding Company's obligation to issue further shares amounting to INR 1,736 to other shareholders of LI was disclosed as "Instruments entirely equity in nature" under Equity in the year ended March 31, 2018.
During the year ended March 31, 2019, the Holding Company has allotted shares amounting to INR 1,726 based on the share swap ratio. This has resulted in an adjustment of INR 10 in the carrying value of Goodwill.

(Amounts in INR Million, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
10 (b). Other equity			
1. Reserve and Surplus			
Securities premium	189,252	188,953	138,223
Employee stock options outstanding account (ESOP Reserve)	4,264	3,552	2,501
Retained earnings	(128,717)	(112,012)	(84,015)
Total reserve and surplus (A)	**64,799**	**80,493**	**56,709**
1. Reserve and Surplus			
(i) Securities premium			
Opening balance	188,953	138,223	113,239
Add: transferred from ESOP Reserve on exercise of stock options	192	359	187
Add: amount received on issue of shares	107	50,511	21,874
Add: shares issued for consideration other than cash	-	-	2,947
Less: amount utilized for share issue expenses	-	(140)	(24)
Balance at the end of the year	**189,252**	**188,953**	**138,223**
(ii) Employee stock options outstanding account (ESOP Reserve)			
Opening balance	3,552	2,501	1,343
Add: share based payment expense	1,118	1,636	1,542
Add: share based payment reserve on account of joint venture	19	61	28
Less: adjustment on cancellation of unvested stock options	-	(285)	(191)
Less: amount transferred to securities premium on exercise of stock options (including for subsidiary amounting to INR 27 for the year ended March 31, 2021)	(219)	(359)	(187)
Less: reversal on forfeiture of stock options	(206)	(2)	(34)
Balance at the end of the year	**4,264**	**3,552**	**2,501**
(iii) Retained earnings			
Opening balance	(112,012)	(84,015)	(42,040)
Ind AS 116 transition adjustment (refer Annexure VI)	-	137	-
	(112,012)	**(83,878)**	**(42,040)**
Restated Loss for the year	(16,961)	(28,422)	(41,816)
Less: acquisition of Non-controlling interest (refer note 37)	(54)	-	(366)
Less: Non-controlling interest recognised on dilution of interest (refer note 37)	-	-	(10)
Add: adjustment on cancellation of unvested ESOP	-	285	191
Add: amount transferred from ESOP reserve on exercise of options of subsidiary companies	15	-	-
Less: remeasurement of post-employee benefit obligation	(17)	(4)	(8)
Add: transfer from employee stock options outstanding	206	2	34
Add: transfer from FVTOCI to retained earning on account of derecognition of assets	-	5	-
Add: other adjustments#	106	-	-
Balance at the end of the year	**(128,717)**	**(112,012)**	**(84,015)**
2. Share application money pending allotment			
Opening balance	*	-	*
Less: exercise of share options	-	-	*
Receipt of share application money	2	*	-
Balance at the end of the year (B)	**2**	*****	**-**
3. Other reserves- FVTOCI			
Opening balance	20	23	10
Net change in fair value of equity instruments at FVTOCI	(53)	2	13
Transfer from FVTOCI to retained earning on account of derecognition of assets	-	(5)	-
Balance at the end of the year (C)	**(33)**	**20**	**23**
4. Other reserves- FCTR			
Opening balance	(65)	(58)	(3)
Net change during the year	40	(7)	(55)
Balance at the end of the year (D)	**(25)**	**(65)**	**(58)**
Total other equity	**64,743**	**80,448**	**56,674**

*Amount below rounding off norms adopted by the Group
Adjustment on settlement of incentive liability through employee welfare trust

Nature and purpose of reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Employee stock options outstanding account (ESOP Reserve)

Employee stock options outstanding account is used to recognise the grant date fair value of options issued to employees under the One 97 Employee Stock Option Plan.

(iii) FVTOCI Reserve

The Holding Company has elected to recognise changes in the fair values of the certain investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI reserve within equity. The Holding Company transfers amounts from this reserve to retained earning when relevant equity securities are derecognised.

(iv) FCTR Reserve

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the restated consolidated statement of profit and loss on disposal of the related foreign subsidiaries.

11. Provisions

	Non-current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Provision for employee benefits						
Provision for gratuity (refer note 27)	237	203	115	7	6	6
Provision for leave benefits*	-	-	-	410	519	391
Other provisions						
Provision for income tax	-	-	-	8	24	8
Other provisions	10	-	-	5	9	-
	247	**203**	**115**	**430**	**558**	**405**

*The entire amount of the provision of INR 410 (March 31, 2020: INR 519; March 31, 2019: INR 391) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months. The amount not expected to be settled within next twelve months is INR 316 (March 31, 2020: INR 358; March 31, 2019: INR 281).

(Amounts in INR Million, unless otherwise stated)

12 (a) Borrowings

	Non-current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Secured						
Loan repayable on demand- bank overdraft (refer note (i) below)	-	-	-	5,014	70	6,956
Working capital demand loan (refer note (ii) below)	-	-	-	435	1,282	-
Term loan (refer note (iii) below)	-	-	-	-	729	-
	-	**-**	**-**	**5,449**	**2,081**	**6,956**
Unsecured						
Other borrowings	-	6	6	-	-	-
	-	**6**	**6**	**-**	**-**	**-**
Total borrowings	**-**	**6**	**6**	**5,449**	**2,081**	**6,956**
Less: Current maturities (Refer note 12(c))	-	6	6	-	-	-
Total borrowings	**-**	**-**	**-**	**5,449**	**2,081**	**6,956**

Note:

(i) As on March 31, 2021, Fixed Deposits backed Bank Overdraft working capital limits (borrowing in INR) carries interest in the range of 4.2% p.a. to 6.3% p.a.. The security for the same is in the form of lien on fixed deposits amounting to INR 5,170.

As on March 31, 2020, In respect of one of subsidiaries, Bank Overdraft carried interest rate of 7.55% p.a and the same was earmarked against the Fixed Deposit with the bank. In respect of another subsidiary, Bank Overdraft carries a interest rate of 12.50% p.a as on March 31, 2021: (March 31, 2020: 12.50%; March 31, 2019: Nil) and the same is secured against tangible/ intangible assets and movable/ immovable assets and personal guarantee of directors.

As on March 31, 2019, Bank Overdraft (borrowing in INR) carried interest at I-MCLR and "spread" per annum. As on March 31, 2019, I-MCLR is 8.75% and spread is 1.2%. Bank overdraft were secured by way of hypothecation on the entire current assets of the Holding Company, pledge on mutual funds of the Holding Company and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

(ii) Working capital demand loan (borrowing in INR) carry interest at I-MCLR and "spread" per annum. As on March 31, 2021, the MCLR is 7.25% p.a. (March 31, 2020: 7.95%) and spread is 1% p.a. (March 31, 2020: 1%). As on March 31, 2021, this is secured by way of hypothecation on the entire current assets (excluding Mutual Funds, FD & Bonds), lien on Fixed Deposits INR 1400 and backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director. As on March 31, 2020, it was secured by way of hypothecation on the entire current assets, lien on mutual funds INR 1400 and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director. No working capital demand loan as on March 31, 2019.

(iii) As on March 31, 2020, Term Loan (in INR) was in respect of point of sale (POS) machines. Principal amount of each tranche was repayable on a monthly basis in 11 equal monthly installments, with first installment starting from the subsequent month of respective tranche disbursement and each tranche i.e trance -1, tranche-2 and tranche-3 carried different I-MCLR rate i.e. 8.55%, 8.35% and 8.25% respectively but with same spread i.e 1.2%. Term loan was secured by way of hypothecation on the entire current assets, pledge on mutual funds INR 1400 and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

Changes in liabilities arising from financing activities	March 31, 2021		March 31, 2020		March 31, 2019	
	Lease Liabilities	Borrowings*	Lease Liabilities	Borrowings*	Lease Liabilities	Borrowings*
Opening debt	2,194	2,087	2,361	6,962	1,240	2,421
Ind AS 116 transition adjustment	-	-	(20)	-	-	-
	2,194	**2,087**	**2,341**	**6,962**	**1,240**	**2,421**
Non cash adjustments#	(1,177)	-	144	-	1,162	-
Acquired on business combination	-	-	-	-	-	31
Cash flows	(346)	3,362	(291)	(4,875)	(50)	4,510
Interest expense	123	216	218	253	217	107
Interest paid	(123)	(216)	(218)	(253)	(208)	(107)
Closing debt	**671**	**5,449**	**2,194**	**2,087**	**2,361**	**6,962**

*includes INR Nil (March 31, 2020: 6, March 31, 2019: 6) classified as current maturities of other borrowings under other financial liabilities.
#includes termination of leases

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
12 (b) Trade payables			
Current			
Trade payables#	5,384	5,220	6,689
Trade payables to related parties (refer note 26)	466	896	576
Trade payables to other parties (refer note 38)	202	-	95
	6,052	**6,116**	**7,360**
# refer note 30 for MSMED disclosure.			
(i) Total Outstanding dues of micro and small enterprises	56	114	113
(ii) Total Outstanding dues other than (i) above	5,996	6,002	7,247
	6,052	**6,116**	**7,360**
12 (c) Other financial liabilities			
Current			
Payable to merchants#	527	300	5,686
Current maturities of other borrowings (refer note 12(a))	-	6	6
Payable on purchase of fixed assets	217	9	422
Employee benefits payable	1,369	1,183	594
Other amount received from customers	2,016	603	250
Other amount received from customers- related parties (refer note 26)	*	-	*
Others	883	167	90
Others- related parties (refer note 26)	83	-	-
Others- Other parties (refer note 38)	58	71	6
	5,153	**2,339**	**7,054**

*Amount below rounding off norms adopted by the Group

#The Holding Company uses a Nodal Account to receive money through debit/credit card and net banking transactions towards all transactions happening on its portal, as well as to settle the respective merchants liabilities. The amounts collected but yet to be transferred to merchants are netted off with nodal account having balance of INR 8,455 (March 31, 2020: INR 4,273; March 31, 2019: INR 1,972). Gross payable to merchant includes payable to related parties (refer note 26) INR 722 (March 2020: INR 132; March 2019: 2,414) and payable to other parties (refer note 38) INR Nil (March 2020: INR Nil; March 2019: 426) .

Terms and conditions of the above financial liabilities:
(i) Trade and other payables are non-interest bearing and generally carry credit period of upto 60 days.

Note: All financial liabilities are carried at amortised cost

13 (a). Other current liabilities

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Statutory dues payable:			
Tax deducted at source payable	526	283	320
GST Payable	1,852	1,505	1,169
Tax collected at source payable	68	69	68
Provident fund payable	58	22	18
Other statutory dues	58	55	7
Other payable - related parties (refer note 26)	81	79	-
Other payable	-	-	10
	2,643	**2,013**	**1,592**

13(b). Contract liabilities

	Non-current			Current		
	As at			As at		
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Contract liabilities	4,119	3,423	-	1,581	3,181	3,529
	4,119	**3,423**	**-**	**1,581**	**3,181**	**3,529**

(i) For related party and other party balances, refer note 26 and 38, respectively.

Revenue recognized in relation to carried forward contract liabilities

	March 31, 2021	March 31, 2020	March 31, 2019
Contract liabilities recognised as revenue during the year	1,117	3,382	293
	1,117	**3,382**	**293**

(Amounts in INR Million, unless otherwise stated)

	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
14. Revenue from operations			
Revenue from contracts with customers			
Sale of services	28,024	30,256	32,320
Other operating revenue			
Recovery of marketing expense	-	2,552	-
	28,024	32,808	32,320
i) Disaggregated details of revenue:			
Payment and financial services	21,092	19,068	16,955
Commerce and cloud services	6,932	11,188	15,365
	28,024	30,256	32,320
15. Other income			
Interest income			
-on bank deposits	1,660	350	136
-Interest on Income tax refund	251	87	50
-Interest on Inter corporate loans - measured at amortized cost	23	142	8
-Interest Income on unwinding of discount - financial assets measured at amortized cost	218	334	457
-Interest Income on debentures -measured at amortized cost	459	101	502
- Interest income on security deposit	87	-	-
Fair value gain on financial instruments measured at FVTPL (net)	899	1,353	2,189
Profit on sale of property, plant and equipment (net)	18	12	10
Liabilities / Provision no longer required written back	30	51	59
Exchange differences (net)	-	48	23
Miscellanous Income	199	121	43
	3,844	2,599	3,477
16. Employee benefits expense			
Salaries, bonus and incentives	10,304	8,876	6,379
Contribution to provident and other funds	290	178	153
Share based payment expenses (refer note 25)	1,125	1,661	1,546
Leave encashment expense	(19)	236	205
Gratuity expenses (refer note 27)	106	82	80
Staff welfare expenses	43	160	199
	11,849	11,193	8,562
17. Finance costs			
Interest			
- Interest and finance charges on lease liabilities	123	218	217
- on borrowings at amortised cost	216	253	107
- Interest on late deposit on statutory dues	1	*	4
- on others	8	14	14
	348	485	342

*Amount below rounding off norms adopted by the Group

	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
18. Depreciation and amortization expense			
Depreciation of property, plant and equipment	1,458	1,226	743
Depreciation on right-of-use-assets*	256	270	128
Amortisation of intangible assets	71	249	245
	1,785	1,745	1,116

*This amount is net of cross charge of INR 5 (March 31, 2020: INR 77; March 31, 2019: INR 187) (refer note 3(b)).

(Amounts in INR Million, unless otherwise stated)

19. Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Connectivity and content fees	1,819	1,561	1,071
Legal and professional fees	783	768	938
Subcontract expenses	692	2,218	2,722
Contest, ticketing and FASTag expenses	681	1,221	680
Logistic, deployment & collection cost	374	153	38
Provision for advances	19	65	18
Loss allowance for financial assets	428	320	310
Trade receivables/advance written off	67	18	16
Repair and maintenance	198	311	319
Insurance	119	73	91
Rent (Refer Note 29)	92	148	128
Communication costs	76	82	81
Rates and taxes	78	61	106
Travelling and conveyance	56	413	491
Exchange differences (net)	36	-	-
Payment to auditor (Refer details below)	35	29	28
Bank Charges	30	51	36
Goods and services tax expense off	11	21	79
Corporate Social Responsibility (CSR) expenditure (refer note 45)	4	8	16
Property, plant and equipment and intangible assets written off	3	2	223
Miscellaneous expenses	256	203	275
	5,857	**7,726**	**7,666**

Payment to Auditors#			
As auditors			
-Audit fee	21	21	19
-Tax audit fee	1	1	*
-Limited Review (Including fee paid to previous auditors in the year ended March 31, 2019)	10	5	8
In other capacity			
-Other Services (Certification fees)	3	2	1
-Reimbursement of expenses (Including amount paid to previous auditors in the year ended March 31, 2019)	*	*	*
	35	**29**	**28**

*Amount below rounding off norms adopted by the Group
#Includes payment to auditors of subsidiaries.

20. Exceptional items

	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Gain on sale of Gaming business (refer notes (f) below)	-	-	422
Gain / (Loss) on sale of investment in associates and subsidiaries (refer note (c), (d) and (e) below)	19	(103)	-
Provision for impairment of investments in associates (refer notes (a) below)	(300)	(100)	(46)
Impairment of Goodwill and intangible assets (refer note (b) below and note 36)	-	(2,844)	(1,201)
	(281)	**(3,047)**	**(825)**

a) The Group basis its assessment of future business projections of its associates, Eatgood Technologies Private Limited and Loginext Solutions Private Limited, has recognized provision of INR 300 (March 2020: INR Nil; March 2019: Nil) and INR Nil (March 2020: INR 100; March 2019: 46) respectively for impairment in the carrying value of its investment. Further, during the year ended March 31, 2021, the Group ceased to have significant influence over Loginext Solutions Private Limited and the interest held in the entity has been recognised at its fair value.

b) The Group basis its assessment of future business projections of its subsidiaries i.e. Orbgen Technologies Private Limited, Little Internet Private Limited, Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) and Cube 26 Software Private Limited had recognized provision for impairment in the carrying value of its goodwill of Nil (March 31, 2020: INR 154; March 31, 2019: INR 674), Nil (March 31, 2020 :INR 2,309; March 31, 2019: INR 510), Nil (March 31, 2020: INR Nil' March 31, 2019: INR 15), Nil (March 31, 2020 :INR Nil; March 31, 2019: INR 2) and of its intangible assets of Nil (March 31, 2020 :INR 33; March 31, 2019: INR Nil), Nil (March 31, 2020 :INR 348; March 31, 2019: INR Nil), Nil (March 31, 2020 :INR Nil; March 31, 2019: INR Nil), Nil (March 31, 2020 :INR Nil; March 31, 2019: INR Nil) , respectively, which has been shown as exceptional item in the Restated Consolidated Statement of Profit and Loss. The impairment loss for Orbgen Technologies Private Limited and Little Internet Private Limited was based on the equity value calculated based on cash flow projections with the business plan used for impairment testing using discounted cash flow method (refer note 36).

c) During year ended March 31, 2021, the Group has lost its control on its two subsidiaries i.e. Paytm Insuretech Private Limited (Formerly known as QorQl Private Limited) ('PIPL') and Paytm Financial Services Limited ('PFSL') on dilution of its interest in these entities. The Group has recognised the remaining interest held in these entities on fair value and recognised gain of INR 20 and loss of INR 1 for PIPL and PFSL, respectively.

d) During the year ended March 31, 2020, the Holding Company had entered into a Share Purchase Agreement to acquire 40% stake in Blueface Technologies Private Limited ('Blueface') and had invested INR 99 for acquisition of 40% holding. Further during the year ended March 31, 2020, the Holding Company had sold its 40% stake in Blueface Technologies Private Limited ('Blueface') for a cash consideration of INR * and recognized a loss of INR 98.

e) During the year ended March 31, 2020, on September 10, 2019, the Holding Company entered into a sale agreement to dispose of its investment in subsidiary Cube26 Software Private Limited resulting in loss of INR 5.

f) On April 9, 2018, shareholders of the Holding Company approved the transfer of online gaming business on a going concern basis by way of slump sale, to Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited). Paytm First Games Private Limited, is an Indian joint venture company with 55% shares held by Paytm Entertainment Limited (wholly owned subsidiary of the Holding Company) and 45% shares held by AGTech Media Holdings Limited. The Holding Company had transferred its online gaming business on June 1, 2018 to Paytm First Games Private Limited on a going concern basis for a consideration of INR 339. The net liabilities of the business transferred were INR 83. The Group had recognised a gain of INR 422 which has been disclosed as exceptional gain in the Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2019.

*Amount below rounding off norms adopted by the Group

21. Earnings per shares (EPS)

Basic EPS are calculated by dividing the profit for the period attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.
Diluted EPS are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares 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:

	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Restated Loss attributable to equity holders for basic and diluted earnings			
Continuing operations	(16,961)	(28,422)	(41,763)
Discontinued operations	-	-	(53)
	(16,961)	(28,422)	(41,816)
Weighted average number of equity shares for basic and diluted EPS#	60,209,837	58,225,828	56,087,996
Earnings per share for continuing operations			
Restated Basic and Diluted earnings per equity share (INR per share)*	(282)	(488)	(745)
Earnings per share for discontinued operations	-	-	(1)
Restated Basic and Diluted earnings per equity share (INR per share)*			
Earnings per share for continuing and discontinued operations	**(282)**	**(488)**	**(746)**
Restated Basic and Diluted earnings per equity share (INR per share)*			

* In view of losses during the year ended March 31, 2021, March 31, 2020 and March 31, 2019, the options which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share.

#Nominal value of INR 10 each (March 31, 2020: INR 10 each, March 31, 2019: INR 10 each)

22. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Restated Consolidated Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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.

Deferred taxes and Income taxes

Deferred tax assets can be recognised for deductible temporary differences (including unused tax losses) only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Most of the companies forming part of the Group are yet to generate operating profits, Management has assessed that as at March 31, 2021 it is not probable that such deferred tax assets can be realised in excess of available taxable temporary differences. Management re-assesses unrecognized deferred tax assets at each reporting date and recognizes to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. For details about deferred tax assets, refer note 28.

During FY 2019-20 (AY 2020-21) a shareholder of the Holding Company holding 30.33% of shares of the Holding Company has transferred its shareholding to its group company (both entities being 100% subsidiaries of the same ultimate parent entity). Based on advice from the Holding Company's tax experts, Management has assessed that a mere change in shareholding within the same group will not be an affirmative position to say that the shareholding has been changed. Further, since the shares of the Holding Company carrying not less than fifty-one per cent of the voting power were beneficially held by persons, i.e. ultimate holding company of the aforesaid entities, who beneficially held shares of the Holding Company carrying not less than fifty-one per cent of the voting power on the last day of the year or years in which the loss was incurred, the Holding Company shall be entitled to carry forward and set off these losses against the taxable income of the further years in accordance with the provisions of Section 79 of the Income Tax Act, 1961. (refer note 28)

Defined benefit plans (gratuity benefits)

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.

In determining the appropriate discount rate for plans operated , the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations, refer note 27.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model, Price of Recent Investment (PORI) method and Comparable Company Multiples (CCM) method. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. For further details about Fair value measurement, refer note 31.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit risks associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Group determines whether there has been a significant increase in credit risk.

Impairment reviews

Goodwill is tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount of the CGU is less than its carrying value. In calculating the value in use, the Group is required to make judgements, estimates and assumptions inter-alia concerning the growth in EBITDA, long-term growth rates; discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU for allocation of the goodwill. For details about impairment reviews, refer note 36.

Incentives

The Group provide incentives to users in various forms including cashbacks to promote its platform. Incentives to users to whom the Group has a performance obligation is recorded as a reduction of revenue to the extent of the revenue earned. For the incentives to other transacting users to whom the Group has no performance obligation, management is required to determine whether the incentives are in substance a payment on behalf of the merchants and should therefore be recorded as a reduction of revenue or as marketing and promotion expenses. Some of the factors considered in management's evaluation of such incentives being payments on behalf of merchants include whether the incentives are given at the Group's discretion, contractual agreements with the merchants, business strategy and objectives and design of the incentive program(s), etc.

(Amounts in INR Million, unless otherwise stated)

23. Group information

A. Entities over which Group exercises control

The Group's subsidiaries as at March 31, 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

The Restated Consolidated Financial Information of the Group includes subsidiaries listed in the table below:

Name	Country of incorporation/ Place of business	Ownership interest held by the group			Ownership interest held by non-controlling interest		
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Indian subsidiaries							
One97 Communications India Limited	India	100.00%	100.00%	100.00%	-	-	-
Paytm Financial Services Limited (till February 22, 2021) (refer note (ii) below)	India	-	100.00%	100.00%	-	-	-
Wasteland Entertainment Private Limited	India	100.00%	100.00%	100.00%	-	-	-
Mobiquest Mobile Technologies Private Limited ('MQ') (refer note (i) below)	India	65.71%	54.90%	54.90%	34.29%	45.10%	45.10%
Urja Money Private Limited ('Urja')	India	67.47%	67.47%	61.80%	32.53%	32.53%	38.20%
Little Internet Private Limited ('Little')	India	62.53%	62.53%	62.53%	37.47%	37.47%	37.47%
Paytm Entertainment Limited	India	100.00%	100.00%	100.00%	-	-	-
Paytm Money Limited	India	100.00%	100.00%	100.00%	-	-	-
Cube26 Software Private Limited (from November 1, 2018 till September 19, 2019)	India	-	-	100.00%	-	-	-
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (from June 01, 2018 till June 17, 2020) (refer note (ii) below)	India	-	100.00%	100.00%	-	-	-
Orbgen Technologies Private Limited (w.e.f June 01, 2018)	India	100.00%	100.00%	100.00%	-	-	-
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) (w.e.f July 31, 2018)	India	100.00%	100.00%	100.00%	-	-	-
Paytm Payments Services Limited (w.e.f October 10, 2020)	India	100.00%	-	-	-	-	-
Paytm Insurance Broking Private Limited (w.e.f September 28, 2019)	India	100.00%	100.00%	-	-	-	-
Foreign Subsidiaries							
One97 Communications Nigeria Limited	Nigeria	100.00%	100.00%	100.00%	-	-	-
One97 Communications FZ-LLC	Dubai	100.00%	100.00%	100.00%	-	-	-
One97 Communications Singapore Private Limited ('OCSPL')	Singapore	100.00%	100.00%	100.00%	-	-	-
One97 USA Inc.	USA	100.00%	100.00%	100.00%	-	-	-
Subsidiaries of Subsidiaries							
One97 Communications Rwanda Private Limited (subsidiary of OCSPL)	Rwanda	100.00%	100.00%	100.00%	-	-	-
One97 Communications Tanzania Private Limited (subsidiary of OCSPL)	Tanzania	100.00%	100.00%	100.00%	-	-	-
One97 Communications Bangladesh Private Limited (subsidiary of OCSPL)	Bangladesh	70.00%	70.00%	70.00%	30.00%	30.00%	30.00%
One97 Uganda Limited (subsidiary of OCSPL)	Uganda	100.00%	100.00%	100.00%	-	-	-
One97 Ivory Coast SA (subsidiary of OCSPL)	Ivory Coast	100.00%	100.00%	100.00%	-	-	-
One97 Benin SA (subsidiary of OCSPL)	Benin	100.00%	100.00%	100.00%	-	-	-
Paytm Labs Inc. (subsidiary of OCSPL)	Canada	100.00%	100.00%	100.00%	-	-	-
One97 Communications Malaysia Sdn. Bdn (subsidiary of OCSPL)	Malaysia	100.00%	100.00%	100.00%	-	-	-
Xceed IT Solution Private Limited (subsidiary of MQ)	India	65.71%	54.90%	54.90%	34.29%	45.10%	45.10%
Nearbuy India Private Limited (subsidiary of Little)	India	62.53%	62.53%	62.53%	37.47%	37.47%	37.47%
One Nine Seven Communication Nepal Private Limited (w.e.f. November 20, 2018) (subsidiary of OCSPL)	Nepal	100.00%	100.00%	100.00%	-	-	-
One Nine Seven Digital Solutions Ltd (w.e.f. June 2, 2019) (subsidiary of OCSPL)	Kenya	100.00%	100.00%	-	-	-	-
Fincollect Services Private Limited (w.e.f. September 25, 2019) (subsidiary of Urja)	India	67.47%	67.47%	-	32.53%	32.53%	-
One Nine Seven Communications Saudi Arabia For Communication and Information Technology (w.e.f. December 25, 2019) (subsidiary of OCSPL)	Saudi	100.00%	100.00%	-	-	-	-

B. Entities over which Group exercise significant influence - Associates

The entities listed below have share capital consisting solely of equity shares which are held directly by the group. The proportion of ownership interest is the same as the proportion of voting rights held except otherwise stated.

Name	Country of incorporation/ Place of business	% equity interest			Accounting method
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
Paytm Payments Bank Limited (refer note (iv) below)	India	49.00%	49.00%	49.00%	Equity method
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (Till May 31, 2018 - w.e.f June 18, 2020) (refer note (ii) below)	India	48.98%	-	-	Equity method
Paytm General Insurance Limited	India	49.00%	49.00%	49.00%	Equity method
Paytm Life Insurance Limited	India	49.00%	49.00%	49.00%	Equity method
Paytm Financial Services Limited (w.e.f February 23, 2021) (refer note (ii) below)	India	48.78%	-	-	Equity method
Foster Payment Networks Private Limited (w.e.f March 26, 2021) (subsidiary of Paytm Financial Services Limited)	India	48.80%	-	-	Equity method
Infinity Transoft Solution Private Limited (refer note (i) below) (w.e.f August 16, 2019)	India	26.57%	26.57%	-	Equity method
Eatgood Technologies Private Limited (w.e.f December 2, 2019) (refer note (i) below)	India	22.20%	20.20%	-	Equity method
Loginext Solutions Private Limited (till January 1, 2021) (refer note (iii) below)	India	-	31.40%	31.40%	Equity method
Socomo Technologies Private Limited (refer note (i) below)	India	11.32%	11.32%	11.32%	Equity method
Blueface Technologies Private Limited (w.e.f April 26, 2019 till February 10, 2020)	India	-	-	-	Equity method

C. Joint Venture of Paytm Entertainment Limited

Name	Country of incorporation/ Place of business	% equity interest			Accounting method
		As at March 31, 2021	As at March 31, 2020*	As at March 31, 2019	
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) ('Paytm First') (refer note (v) below)	India	55.00%	56.93%	55.00%	Equity method
Paytm First Games Singapore Pte. Ltd. (w.e.f. January 2, 2020) (wholly owned subsidiary of Paytm First Games Private Limited) (refer note (v) below)	Singapore	55.00%	56.93%	-	Equity method
Paytm Technology (Beijing) Co., Ltd. (w.e.f. October 13, 2020) (wholly owned subsidiary of Paytm First Games Private Limited) (refer note (vi) below)	China	55.00%	-	-	Equity method

*Due to timing difference for allotment of shares at the year end between Joint Venture partner, the shareholding had temporarily changed as at March 31, 2020. Since, this was a temporary position, the equity accounting has been done considering 55% shareholding.

D. Entities having significant influence over the Group :-

SAIF III Mauritius Company Limited
SAIF Partners India V Limited
SAIF Partners India IV Limited
Elevation Capital V FII Holdings Limited (Formerly known as SAIF India V FII Holdings Limited)
Alipay Singapore E-Commerce Private Limited (till January 7, 2020)
Alibaba.com Singapore E-Commerce Private Limited
Alipay Labs (Singapore) Pte Limited
SVF India Holdings (Cayman) Limited
ANTFIN (Netherlands) Holding B.V. (from January 8, 2020)

Notes:
(i) The entities have issued preference shares as well to the Holding Company.
(ii) The Group lost its control over the entity on dilution of interest, however, the Holding Company still exercises significant influence over the same.
(iii) During the year ended March 31, 2021, the company ceased to have significant influence over the entity.
(iv) As per Banking Regulation Act, 1949, voting rights in a banking company are capped at 26% in case the investor holds more than 26% in the bank.
(v) The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.
(vi) The company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the company.

(Amounts in INR Million, unless otherwise stated)

24. Investment in an Associates and Joint venture

The following table illustrates the summarised financial information of the Group's investment in Associates.

As at March 31, 2021

Particulars	Paytm Payments Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Paytm Financials Services Limited	Paytm Insuretech Private Limited	Total
Current assets	57,877	*	1	42	136	904	21	58,981
Non-current assets	5,838	-	-	25	44	*	*	5,907
Current liabilities	(33,101)	(59)	*	(23)	(92)	(813)	(1)	(34,089)
Non-current liabilities	(25,789)	(1)	-	(107)	(8)	-	-	(25,905)
Employee share based payment reserve	(738)	-	-	-	-	-	-	(738)
Non-controlling interest	-	-	-	-	-	(50)	-	(50)
Equity	**4,087**	**(60)**	**1**	**(63)**	**80**	**41**	**20**	**4,106**
Proportion of the Group's ownership	49.00%	49.00%	49.00%	26.57%	22.20%	48.78%	48.98%	
Group's share in equity	2,006	-	*	(17)	18	19	10	2,037
Goodwill/ (Capital Reserves)	-	-	-	103	487	-	(10)	580
Provision for impairment of investment	-	-	-	-	(300)	-	-	(300)
Total Carrying amount of the investment	**2,006**	**-**	*	**86**	**205**	**19**	**-**	**2,317**

For the year ended March 31, 2021

Particulars	Paytm Payments Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Paytm Financials Services Limited	Paytm Insuretech Private Limited	Total
Revenue	19,875	-	-	45	548	1	3	20,472
Restated Total comprehensive income/ (loss) for the year	188	(69)	*	(38)	(162)	(1)	(2)	(83)
Group's share of restated profit / (loss) for the year	**92**	**(5)**	*	**(10)**	**(35)**	*	**-**	**42**
Unrecognised share of restated losses	-	29	-	-	-	-	2	31
Contingent Liabilities, commitments and guarantees	-	-	-	-	-	-	-	-

During the year ended March 31, 2021, the Group ceased to have significant influence over the Loginext Solutions Private Limited. Socomo Technologies Private Limited have been fully impaired.
The Group recognizes share of losses on associates to the extent of its interest, post which the Group discontinues recognizing its further losses.

As at March 31, 2020

Particulars	Paytm Payments Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Total
Current assets	40,551	1	1	75	282	40,910
Non-current assets	4,891	-	-	26	52	4,969
Current liabilities	(28,697)	(2)	*	(21)	(217)	(28,937)
Non-current liabilities	(12,293)	*	-	(104)	(11)	(12,408)
Employee share based payment reserve	(553)	-	-	-	-	(553)
Equity	**3,899**	**(1)**	**1**	**(24)**	**106**	**3,981**
Proportion of the Group's ownership	49.00%	49.00%	49.00%	26.57%	20.02%	
Group's share in equity	1,914	-	*	(7)	22	1,929
Goodwill/ (Capital Reserves)	-	-	-	103	436	539
Provision for impairment of investment	-	-	-	-	-	-
Total Carrying amount of the investment	**1,914**	**-**	*	**96**	**458**	**2,468**

For the year ended March 31, 2020

Particulars	Paytm Payments Bank Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Infinity Transoft Private Limited	Eatgood Technologies Private Limited	Total
Revenue	21,106	-	-	44	416	21,566
Restated Total comprehensive income/ (loss) for the year	26	(11)	*	(13)	(162)	(160)
Group's share of restated profit / (loss) for the year	**13**	**(5)**	*	**(3)**	**(33)**	**(28)**
Unrecognised share of restated losses	-		-	-	-	-
Contingent Liabilities, commitments and guarantees	-	-	-	-	-	-

Loginext Solutions Private Limited and Socomo Technologies Private Limited have been fully impaired.
The Group recognizes share of losses on associates to the extent of its interest, post which the Group discontinues recognizing its further losses.

As at March 31, 2019

Particulars	Paytm Payments Bank Limited	Loginext Solutions Private Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Total
Current assets	29,924	81	1	1	30,007
Non-current assets	7,179	122	-	-	7,301
Current liabilities	(21,416)	(30)	*	*	(21,446)
Non-current liabilities	(11,409)	-	-	-	(11,409)
Employee share based payment reserve	(396)	-	-	-	(396)
Equity	**3,882**	**173**	**1**	**1**	**4,057**
Proportion of the Group's ownership	49.00%	31.00%	49.00%	49.00%	
Group's share in equity	1,901	55	*	*	1,957
Goodwill/ (Capital Reserves)	-	316	-	-	316
Provision for impairment of investment	-	(271)	-	-	(271)
Total Carrying amount of the investment	**1,901**	**100**	*	*	**2,002**

For the year ended March 31, 2019

Particulars	Paytm Payments Bank Limited	Loginext Solutions Private Limited	Paytm General Insurance Limited	Paytm Life Insurance Limited	Total
Revenue	1,425	154	-	-	1,579
Restated Total comprehensive income/ (loss) for the year	655	(32)	*	*	623
Group's share of restated profit / (loss) for the year	**321**	**(10)**	*	*	**311**
Unrecognised share of restated losses	-	-	-	-	-
Contingent Liabilities, commitments and guarantees	54	-	-	-	**54**

The Group recognizes share of losses on associates to the extent of its interest, post which the Group discontinues recognizing its further losses.

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

B. The following table illustrates the summarised financial information of the Group's investment in joint venture.

	Paytm First Games Private Limited (consolidated)		
Particulars	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Current assets			
- Cash and cash equivalents	1,137	487	8
- Other assets	262	795	608
Total current assets	**1,399**	**1,282**	**616**
Total non-current assets	552	583	587
Current liabilities			
- Financial liabilities (excluding trade payables)	(1,509)	(12)	(4)
- Other liabilities	(855)	(267)	(110)
Total current liabilities	**(2,364)**	**(279)**	**(114)**
Non-current liabilities			
- Financial liabilities (excluding trade payables)	-	-	-
- Other liabilities	(9)	(6)	(38)
Total non-current liabilities	**(9)**	**(6)**	**(38)**
Employee share based payment reserve	(317)	(298)	(265)
Net assets	**(739)**	**1,282**	**786**
Proportion of the Group's ownership	55.00%	55.00%	55.00%
Carrying amount of the investment	(410)	701	432
Investment recognised for ESOP expenses	80	61	28
Total Carrying amount of the investment #	**(330)**	**762**	**460**

	Paytm First Games Private Limited (consolidated)		
Particulars	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Revenue	1,493	170	88
Interest Income	28	*	9
Depreciation and amortisation	27	24	19
Interest expense	30	-	-
Income tax expense	-	(32)	32
Restated Loss for the year	(2,019)	(967)	(299)
Restated Other comprehensive income	(2)	*	*
Restated Total Comprehensive Income/ (Loss) for the year	(2,021)	(967)	(299)
Group's share of restated profit / (loss) for the year #	**(782)**	**(532)**	**(165)**
Unrecognised share of restated losses	(330)	-	-
Contingent Liabilities, commitments and guarantees	-	-	*

The net worth of Paytm First Games Private Limited, a joint venture of the group, has been fully eroded with net current liabilities. The carrying value of the share of investment in the Restated Consolidated Financial Information is reduced to 'Nil' as the group is not liable to contribute in excess of their contribution.

The management has concluded that the Group doesn't control Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) even if it holds more than half of the voting rights of the investee entity. As per management's judgement and evaluation, the Group doesn't have unilateral ability to direct the relevant activities. The Group and other investor has ability to jointly direct the relevant activities of the investee entity by virtue of shareholder's agreement and hence considered to be a joint venture.

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

25. Employee share based payments

During the year ended March 31, 2009, the Holding Company introduced One 97 Employee Stock Option Plan – I for the benefit of employees as approved by the Board of Directors in the meeting held on September 08, 2008 and by the members in the Extra Ordinary General Meeting held on October 22, 2008 for a total of 951,355 options. The Holding Company appropriated 795,056 options of INR 10 each to be granted to eligible employees which were granted on December 31, 2008. These options were granted to all eligible, permanent employees who were on rolls of Holding Company as at December 31, 2008 and to be settled in equity. These options have a vesting period of 4 years and were vested at one year interval in the following proportion:

Date of vesting	% of total options vesting
December 31, 2009	10%
December 31, 2010	20%
December 31, 2011	30%
December 31, 2012	40%

Out of 795,056 options granted, exercise price of 233,602 options granted to employees who joined the Holding Company till March 31, 2007 was INR10 per option and for 561,454 options granted to employees joining between April 01, 2007 and December 31, 2008 the exercise price was Rs 49 per option.

On September 03, 2010, the Holding Company appropriated 252,101 options of INR 10 each to be granted to eligible employees (including grant of 30,000 options to independent non-executive directors) at an exercise price of INR 180 each. Options granted to independent non-executive directors were approved in Extra-Ordinary General meeting of members held on November 22, 2010. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
September 03, 2011	10%
September 03, 2012	20%
September 03, 2013	30%
September 03, 2014	40%

On September 01, 2011, the Holding Company increased the ESOP pool by adding 107,407 options taking total ESOP pool to 1,058,762 as approved by the Board of Directors in the meeting held on August 02, 2011 and by the members in the Extra Ordinary General Meeting held on August 19, 2011.

On January 30, 2012, the Holding Company appropriated 4,330 options of INR 10 each to be granted to one eligible employee at an exercise price of INR 232 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
January 30, 2012	10%
January 30, 2013	20%
January 30, 2014	30%
January 30, 2015	40%

On December 29, 2012, the Holding Company appropriated 196,163 options of INR 10 each to be granted to eligible employee at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on November 29, 2012 and by the members in the Extra Ordinary General Meeting held on December 29, 2012.

(Amounts in INR Million, unless otherwise stated)

These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
December 29, 2012	10%
December 29, 2013	20%
December 29, 2014	30%
December 29, 2015	40%

On August 01, 2013, the Holding Company appropriated 166,668 options of INR 10 each to be granted to eligible employees at an exercise price of INR 180 each as approved by the Board of Directors in the meeting held on January 31, 2014. 30% of these options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
August 1, 2014	10%
August 1, 2015	20%
August 1, 2016	30%
August 1, 2017	40%

Remaining 70% of the options will be vested upon achievement of certain performance targets.

On March 31, 2014, the Holding Company increased the ESOP pool by adding 260,000 options taking total ESOP pool to 1,318,762 as approved by the Board of Directors in the meeting held on January 31, 2014 and by the members in the Extra Ordinary General Meeting held on August 31, 2014.

On April 01, 2014 the Holding Company appropriated 313,446 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each as ratified by the Board of Directors in the meeting held on June 10, 2015.

Date of vesting	% of total options vesting
April 1, 2015	10%
April 1,2016	20%
April 1,2017	30%
April 1,2018	40%

On April 01, 2015, the Holding Company appropriated 491,722 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2016	10%
April 1,2017	20%
April 1,2018	30%
April 1,2019	40%

On September 30, 2015, the Holding Company increased the ESOP pool by adding 604,858 options taking total ESOP pool to 1,923,620 as approved by the Board of Directors in the meeting held on July 24, 2015 and by the members in the Annual General Meeting held on September 30, 2015.

(Amounts in INR Million, unless otherwise stated)

On October 01, 2015 the Holding Company appropriated 104,864 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2016	10%
October 1,2017	20%
October 1,2018	30%
October 1,2019	40%

On April 01, 2016 the Holding Company appropriated 395,325 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2017	10%
April 1,2018	20%
April 1,2019	30%
April 1,2020	40%

On October 01, 2016 the Holding Company appropriated 97,031 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options had a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2017	10%
October 1,2018	20%
October 1,2019	30%
October 1,2020	40%

On April 01, 2017 the Holding Company appropriated 361,128 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2018	10%
April 1,2019	20%
April 1,2020	30%
April 1,2021	40%

On October 01, 2017 the Holding Company appropriated 29,044 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2018	10%
October 1,2019	20%
October 1,2020	30%
October 1,2021	40%

(Amounts in INR Million, unless otherwise stated)

On April 01, 2018 the Holding Company appropriated 243,899 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2019	10%
April 1,2020	20%
April 1,2021	30%
April 1,2022	40%

On July 01, 2018 the Holding Company appropriated 45,649 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
July 1,2019	10%
July 1,2020	20%
July 1,2021	30%
July 1,2022	40%

On October 01, 2018 the Holding Company appropriated 34,409 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
October 1,2019	10%
October 1,2020	20%
October 1,2021	30%
October 1,2022	40%

On January 01, 2019 the Holding Company appropriated 47,958 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

Date of vesting	% of total options vesting
January 1,2020	10%
January 1,2021	20%
January 1,2022	30%
January 1,2023	40%

On March 22, 2019, the Holding Company's shareholders in an extra ordinary general meeting authorized the Chief Executive Office/Managing Director of the Holding Company to approve the cancellation/modification of unvested employee stock options with the prior consent of the employees. Pursuant to this, the Holding Company cancelled 95,561 outstanding unvested employee stock options, with prior consent of the employees. This cancellation resulted into an accelerated share based payment expense of INR 62 in the Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2019.

On April 01, 2019 the Holding Company appropriated 125,575 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 4 years at one year interval in following proportion:

(Amounts in INR Million, unless otherwise stated)

Date of vesting	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	30%
April 1,2023	40%

On April 01, 2019 the Holding Company appropriated 86,871 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
April 1,2020	10%
April 1,2021	20%
April 1,2022	20%
April 1,2023	25%
April 1,2024	25%

On April 01, 2019 the Holding Company appropriated 4,375 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 2 years at one year interval in following proportion:

Date of vesting	% of total options vesting
April 1,2020	50%
April 1,2021	50%

On September 04, 2019, the Holding Company introduced One97 Employees Stock Option Scheme, 2019 and further increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,166,524 as approved by the Board of Directors in the meeting held on September 04, 2019 and by the members in the Annual General Meeting held on September 30, 2019.

On October 01, 2019 the Holding Company appropriated 72,123 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2020	10%
October 1,2021	20%
October 1,2022	20%
October 1,2023	25%
October 1,2024	25%

On September 04, 2019, Holding Company in a Board meeting approve the cancellation/modification of 84,614 outstanding unvested employee stock options with the prior consent of the employees. This cancellation has resulted into an accelerated share based payment expense of INR 285 in the Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2020.

On April 01, 2020 the Holding Company has appropriated 46,654 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

(Amounts in INR Million, unless otherwise stated)

Date of vesting*	% of total options vesting
April 1,2021	10%
April 1,2022	20%
April 1,2023	20%
April 1,2024	25%
April 1,2025	25%

On July 01, 2020 the Holding Company has appropriated 2,730 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 1 year subject to achievement of milestone as determined by the Board of Directors:

Date of vesting	% of total options vesting
July 1, 2021	100%

On July 01, 2020 the Holding Company has appropriated 15,915 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
July 1,2021	10%
July 1,2022	20%
July 1,2023	20%
July 1,2024	25%
July 1,2025	25%

On October 01, 2020 the Holding Company has appropriated 321,532 options of INR 10 each to be granted to eligible employees at an exercise price of INR 90 each. These options have a vesting period of 5 years at one year interval in following proportion:

Date of vesting*	% of total options vesting
October 1,2021	10%
October 1,2022	20%
October 1,2023	20%
October 1,2024	25%
October 1,2025	25%

*Vesting of options are subject to achievement of operational performance targets as determined by the Board of Directors.

All the above options issued by the Holding Company are Equity Settled.

During the year ended March 31, 2021, Holding Company has revised Exercise Period from “five year term post vesting date” to “anytime during the entire period of continuous active employment from the date of vesting of respective employee stock options” and the same has been approved by shareholders in Extra-Ordinary General Meeting held on September 02, 2020.

During the year ended March 31, 2021, the Holding Company increased the ESOP pool by adding 242,904 options taking total ESOP pool to 2,409,428 as approved by the Board of Directors in the meeting held on February 25, 2021and by the members in the Extra-Ordinary General Meeting held on March 26, 2021.

(Amounts in INR Million, unless otherwise stated)

The total options outstanding as at March 31, 2021 are 1,003,128 (March 31, 2020: 877,070; March 31, 2019: 960,743) out of which 10,297 (March 31, 2020: 11,297; March 31, 2019: 15,141) options have an exercise price of INR 10 each, 2,590 (March 31, 2020: 2,590; March 31, 2019: 2,868) options have an exercise price of INR 49 each, 127,544 (March 31, 2020: 127,544; March 31, 2019: 127,544) options have an exercise price of INR 180 each and 862,697 (March 31, 2020: 735,640; March 31, 2019: 815,190) options have an exercise price of INR 90 each.

Grant Date	**Number of Options outstanding**	**Number of Options outstanding**	**Number of Options outstanding**	**Exercise Price**
	March 31, 2021	**March 31, 2020**	**March 31, 2019**	
December 31, 2008	10,297	11,297	15,141	10
December 31, 2008	2,590	2,590	2,868	49
September 03, 2010	250	250	250	180
December 29, 2012	127,294	127,294	127,294	180
April 01, 2014	2,464	2,464	9,420	90
April 01, 2015	4,901	4,901	38,148	90
October 01, 2015	6,468	11,074	24,362	90
April 01, 2016	56,179	83,340	123,260	90
October 01, 2016	53,755	54,137	66,473	90
April 01, 2017	99,534	150,563	203,226	90
October 01, 2017	16,668	19,302	20,552	90
April 01, 2018	108,724	159,456	212,596	90
July 01, 2018	40,958	40,958	45,649	90
October 01, 2018	3,335	10,483	23,546	90
January 01, 2019	-	47,958	47,958	90
April 01, 2019	2,790	3,190	-	90
April 01, 2019	46,542	72,920	-	90
April 01, 2019	4,375	4,375	-	90
October 01, 2019	63,763	70,518	-	90
April 01, 2020	38,542	-	-	90
July 01, 2020	16,649	-	-	90
October 01, 2020	297,050	-	-	90
	1,003,128	**877,070**	**960,743**	

(Amounts in INR Million, unless otherwise stated)

Movements during the year ended March 31, 2021, March 31, 2020 and March 31, 2019

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

Particulars	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		INR		INR		INR
	March 31, 2021		**March 31, 2020**		**March 31, 2019**	
Outstanding at the beginning of the year	877,070	101.93	960,743	100.56	988,521	100.74
Options granted during the year	386,831	90.00	288,777	90.00	371,915	90.00
Options exercised during the year**	(63,724)	89.12	(127,850)	87.50	(157,960)	93.25
Options forfeited during the year	(197,049)	90.00	(159,986)	90.00	(146,172)	89.66
Options cancelled during the year	-	90.00	(84,614)	90.00	(95,561)	90.00
Options expired during the year	-	-	-	-	-	-
Options outstanding at the end of the year	1,003,128	100.52	877,070	101.93	960,743	100.56
Vested options outstanding at the end of the year (exercisable)	475,518	112.19	421,902	114.76	362,016	118.04

** The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2021 was INR 10,706.93 per share (March 31, 2020: INR 8,263.83 per share; March 31, 2019: INR 6,513.33 per share).

The weighted average remaining contractual life for the share options outstanding as at March 31, 2021 was 5.59 years (March 31, 2020: 4.55 years; March 31, 2019: 5.71 years).

The weighted average fair value of options granted during the year was INR 10,666.86 per option (March 31, 2020: INR 8,757.29 per option; March 31, 2019: INR 6,181.35 per option).

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2021 (computed using Discounted Cash Flow & Black-Scholes model) was INR 11,271.00 per option for grant date April 1, 2020, INR 10,666 per option for grant date July 1, 2020 & October 1, 2020. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

(Amounts in INR Million, unless otherwise stated)

Grant Date:- April 1, 2020
Method of Valuation - Black-Scholes Model

Share price	INR 11,271 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	2.5
Risk free interest rate	5.60-6.80%
Annualized Volatility	36.50-53.00%

Grant Date:- July 1, 2020
Method of Valuation - Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.40-5.20%
Annualized Volatility	43.20-46.80%

Grant Date:- October 1, 2020
Method of Valuation – Discounted Cash Flow Method

Share price	INR 10,666 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	1.5
Risk free interest rate	4.90-5.30%
Annualized Volatility	42.40-46.90%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2020 (computed using Discounted Cash Flow & Black-Scholes model) was INR 7,995.00 per option for grant date April 1, 2019, INR 11,291 per option for grant date October 1, 2019. The estimation of fair value on date of grant was made using the Discounted Cash Flow & Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2019
Method of Valuation - Discounted Cash Flow Method

Share price	INR 7,995 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.80-7.20%
Annualized Volatility	40.00-53.00%

(Amounts in INR Million, unless otherwise stated)

Grant Date:- October 1, 2019
Method of Valuation – Black-Scholes Model

Share price	INR 11,291 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	3.5
Risk free interest rate	6.10-6.60%
Annualized Volatility	43.00-61.00%

The weighted average fair value of options granted under the One 97 ESOP Scheme during the year ended on March 31, 2019 (computed using Black-Scholes model) was INR 6,015.60 per option for grant date April 1, 2018, INR 6,017.90 per option for grant date July 1, 2018, INR 6,762.90 per option for grant date October 1, 2018 and INR 6,762.60 per option for grant date January 1, 2019. The estimation of fair value on date of grant was made using the Black-Scholes model with the following assumptions:

Grant Date:- April 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.20-7.40%
Annualized Volatility	59.00-64.00%

Grant Date:- July 1, 2018

Share price	INR 6,076 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.82-8.10%
Annualized Volatility	59.00-62.00%

Grant Date:- October 1, 2018

Share price	INR 6,821 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.94-8.03%
Annualized Volatility	58.00-74.00%

(Amounts in INR Million, unless otherwise stated)

Grant Date:- January 1, 2019

Share price	INR 6,823 per share
Weighted average exercise price	INR 90 each
Dividend yield %	0%
Expected life (years)	4
Risk free interest rate	7.10-7.40%
Annualized Volatility	51.00-52.00%

Notes:
1. Weighted average share price is based on the value of Equity Shares arrived at by using Discounted Cash Flow Method or Backsolve method and share prices based on secondary transactions, where available.
2. Dividend yield is considered zero, as no dividend payout is expected in the foreseeable future.
3. Risk free return is based on the yield to maturity of Indian treasury securities, with a maturity corresponding to the expected term of ESOP.
4. Annualized volatility is based on the median weekly volatility of selected comparables companies for a time period commensurate with the expected term.

<u>Little Internet Private Limited 2017 Plan (Little Plan)</u>

Little Internet Private Limited ('Little') has introduced Employee Stock Option Scheme 2017 ("ESOS 2017") with effect from December 21, 2017 to enable the employees of Little Internet Private Limited to participate in the future growth and success of Little Internet Private Limited. ESOS 2017 is operated at the discretion of the Board.

The options which confer a right but not an obligation on the employee to apply for equity shares of the Little Internet Private Limited once the terms and conditions set forth in the Employee Stock Option Scheme 2017 ("ESOS 2017") and the option agreement have been met. Vesting of options would be subject to continued employment with the Little Internet Private Limited and meeting the requisite performance parameters. The exercise price of the options are INR Nil. The other relevant terms of the grant are as below:
Vesting period 1 to 4 years
Exercise period 10 years (including the vesting period)

The details of activity under the plans are summarized below:

Particulars	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	ESOP	MSOP	ESOP	MSOP	ESOP	MSOP
Outstanding at the beginning of the year	16,745	1,505,386	34,297	1,970,619	-	1,970,619
Options granted	-	-	-	-	71,050	-
Options Exercised	-	-	-	-	-	-
Options forfeited	8,924	143,224	17,552	465,233	36,753	-
Outstanding at the end of the year	7,821	1,362,162	16,745	1,505,386	34,297	1,970,619
Options vested and exercisable	7,821	1,338,291	6,816	1,338,291	3,430	11,39,424

Weighted average exercise price for Management Stock Option Plan (MSOP) and Employee Stock Option Plan (ESOP) is INR Nil.
The weighted average fair value of options granted in 2021 was INR 163 (2020: INR 163 and 2019: INR 163).

(Amounts in INR Million, unless otherwise stated)

The weighted average remaining contractual life for these options is given below:-

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
MSOP	6.73	7.73	8.73
ESOP	7.01	8.01	9.01

Little Internet Private Limited has adopted the fair value method using Black-Scholes model in respect of stock options granted. The value of underlying shares has been determined by an independent valuer.

The valuation of the share options granted is based on the following assumptions:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Risk-free interest rate (% p.a.)	7.50	7.50	7.50
Expected life of options (years)	4.41	4.41	4.41
Expected volatility (%)	42.41	42.41	42.41
Dividend yield (%)	-	-	-

Wasteland Entertainment Private Limited 2017 Plan

Wasteland Entertainment Private Limited has introduced Employee Stock Option Plan 2017 (“ESOP 2017”) and Employee Stock Option Plan 2018 (“ESOP 2018”) with effect from June 14, 2017 and October 01, 2018 to enable the employees of Wasteland Entertainment Private Limited to participate in the future growth and success of the Holding Company. ESOP 2017 and ESOP 2018 is operated at the discretion of the Board.

The options which confer a right but not an obligation on the employee to apply for equity shares of Wasteland Entertainment Private Limited once the terms and conditions set forth in the ESOP 2017 and ESOP 2018 and the option agreement have been met. Vesting of options would be subject to continued employment with Wasteland Entertainment Private Limited and meeting the requisite performance parameters. The exercise price of the options is INR 10 and INR 100 in ESOP 2017 & ESOP 2018 respectively.

Vesting Period - 1 to 4 years
Exercise Period - 10 years for ESOP 2017 and 5 years for ESOP 2018 (excluding the vesting period)

The movement in the shares issued for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 are set out below:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	ESOP	ESOP	ESOP
Outstanding at the beginning	5,459	5,459	4,808
Options granted	-	-	651
Options Exercised	(2,105)	-	-
Options forfeited	(2,957)	-	-
Outstanding at the end of the year	397	5,459	5,459
Options vested & exercisable	397	2,753	1,602

Weighted Average Exercise Price per option is INR 10 per option as at March 31, 2021 (March 31, 2020: INR 19.48 per option; March 31, 2019: INR 19.48 per option)

(Amounts in INR Million, unless otherwise stated)

The total expense of share based payment expenses pertaining to ESOP Plan 2017 and 2018 for the year ended March 31, 2021 is INR. 14 (March 31, 2020: INR 11; March 31, 2019: INR 22) after necessary adjustments.

The weighted average fair value of options granted as at March 31, 2021 was INR 11,415 (March 31, 2020: INR 13,597; March 31, 2019: INR 13,341).

The weighted average remaining contractual life for these options is given below:-

	March 31, 2021	**March 31, 2020**	**March 31, 2019**
ESOP	10.21	10.82	11.82

On September 10, 2020, Wasteland Entertainment Private Limited in a Board Meeting approved cancellation of 1,479 outstanding vested employee stock options and 1,479 unvested employee stock options with the prior consent of the employees. This cancellation has resulted in an accelerated share based payment expense of INR. 9 in the Restated Consolidated Statement of Profit and Loss.

The Wasteland Entertainment Private Limited has adopted fair value method using Black-Scholes Model in respect of stock options granted. The value of underlying shares has been determined by an independent valuer.

Note – The ESOP Plan for Urja Money Private Limited being not material to the group and hence no further information is disclosed.

The expense recognised for employee services received during the year is shown in the following table:

	March 31,2021	March 31,2020	March 31,2019
Expense arising from equity-settled share-based payment transactions of Holding Company	1,113	1,661	1,092
Expense arising from equity-settled share-based payment transactions (Little Internet Private Limited)	(16)	(17)	406
Expense arising from equity-settled share-based payment transactions (Wasteland Entertainment Private Limited)	14	11	43
Expense arising from equity-settled share-based payment transactions (Urja Money Private Limited)	*	*	1
Other Adjustments	14	6	4
Total expense arising from share-based payment transactions # ^	1,125	1,661	1,546

the above total consider foreign currency translation adjustment, as applicable for each year.

^ Including expenses of discontinued operations for the year ended March 31, 2021: Nil (March 31, 2020: Nil; March 2019: INR 1)

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

26. Related party transactions

A. Entities over which Group exercise control

Name	Country of incorporation
Indian Subsidiaries	
One97 Communications India Limited	India
Paytm Financial Services Limited (till February 22, 2021)	India
Paytm Entertainment Limited	India
Paytm Money Limited	India
Wasteland Entertainment Private Limited	India
Mobiquest Mobile Technologies Private Limited	India
Urja Money Private Limited	India
Little Internet Private Limited	India
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (w.e.f. June 1, 2018 till June 17, 2020)	India
Orbgen Technologies Private Limited (w.e.f. June 1, 2018)	India
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) (w.e.f. July 31, 2018)	India
Paytm Payments Services Limited (w.e.f. October 10, 2020)	India
Cube26 Software Private Limited (w.e.f. November 1, 2018 till September 19, 2019)	India
Paytm Insurance Broking Private Limited (w.e.f. September 28, 2019)	India
Foreign Subsidiaries	
One97 Communications Nigeria Limited	Nigeria
One97 Communications FZ-LLC	Dubai
One97 Communications Singapore Private Limited	Singapore
One97 USA Inc.	USA
Subsidiaries of Subsidiaries	
One97 Communications Rwanda Private Limited	Rwanda
One97 Communications Tanzania Private Limited	Tanzania
One97 Communications Bangladesh Private Limited	Bangladesh
One97 Uganda Limited	Uganda
One97 Ivory Coast SA	Ivory Coast
One97 Benin SA	Benin
Paytm Labs Inc.	Canada
One97 Communications Malaysia Sdn. Bdn	Malaysia
Nearbuy India Private Limited	India
Xceed IT Solution Private Limited	India
One Nine Seven Communication Nepal Private Limited (w.e.f. November 20, 2018)	Nepal
One Nine Seven Digital Solutions Ltd (w.e.f. June 2, 2019)	Kenya
Fincollect Services Private Limited (w.e.f. September 25, 2019)	India
One Nine Seven Communications Saudi Arabia For Communication and Information Technology (w.e.f. December 25, 2019)	Saudi
Controlled Trust	
One97 Employee welfare Trust*	India

* Consolidated in these Restated Consolidated Financial Information of the Group.

B. Joint Venture of Paytm Entertainment Limited

Name	Country of incorporation
Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited) ('Paytm First')*	India
Paytm First Games Singapore Pte. Ltd. (w.e.f. January 2, 2020) (subsidiary of Paytm First Games Private Limited)*	Singapore
Paytm Technology (Beijing) Co., Ltd. (w.e.f. October 13, 2020) (wholly owned subsidiary of Paytm First Games Private Limited)#	China

* The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.

The company was incorporated on October 13, 2020. As on March 31, 2021, no investment is made in the company.

(Amounts in INR Million, unless otherwise stated)

C. Entities over which Group exercise significant influence

Name	**Country of incorporation**
Paytm Payments Bank Limited	India
Paytm Insuretech Private Limited (Formerly known as QoRQL Private Limited) (till May 31, 2018 and w.e.f. June 18, 2020)	India
Foster Payment Networks Private Limited* (w.e.f March 26, 2021)	India
Paytm General Insurance Limited	India
Paytm Life Insurance Limited	India
Paytm Financial Services Limited (w.e.f February 23, 2021)	India
Infinity Transoft Solution Private Limited (w.e.f August 16, 2019)	India
Eatgood Technologies Private Limited (w.e.f December 2, 2019)	India
Socomo Technologies Private Limited	India
Loginext Solutions Private Limited (till January 1, 2021)**	India
Blueface Technologies Private Limited (w.e.f April 26, 2019 till February 10, 2020)	India

* subsidiary of Paytm Financials Services Limited.

** During the year ended March 31, 2021, the Group ceased to have significant influence over the entity and the interest held in the entity has been recognised at fair value.

D. Key Management Personnel

Vijay Shekhar Sharma	Chairman and Managing Director
Madhur Deora	Chief Financial Officer (till September 3, 2019)
	Group Chief Financial Officer (w.e.f October 9, 2020)
Vikas Garg	Chief Financial Officer (w.e.f March 1, 2020)

E. Entities having significant influence over the Group

SAIF III Mauritius Company Limited
SAIF Partners India V Limited
SAIF Partners India IV Limited
Elevation Capital V FII Holdings Limited (Formerly known as SAIF India V FII Holdings Limited)
Alipay Singapore E-Commerce Private Limited (till January 7, 2020)
Alibaba.com Singapore E-Commerce Private Limited
Alipay Labs (Singapore) Pte Limited
SVF India Holdings (Cayman) Limited
ANTFIN (Netherlands) Holding B.V. (w.e.f January 8, 2020)

F. Relatives of Individuals owning interest in the voting power of the Group that gives the control or significant influence

Ajay Shekhar Sharma	Brother of Mr. Vijay Shekhar Sharma

(Amounts in INR Million, unless otherwise stated)

a) The following is the summary of transactions with related parties for the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Rendering of services to related parties			
Paytm Payments Bank Limited	8,634	8,752	9,277
Paytm First Games Private Limited	204	88	14
Infinity Transoft Solution Private Limited	4	15	-
Eatgood Technologies Private Limited	*	5	-
Socomo Technologies Private Limited	-	-	*
	8,842	**8,860**	**9,291**
Reimbursement of expenses incurred on behalf of related parties			
Paytm Payments Bank Limited	617	945	1,466
Paytm First Games Private Limited	238	42	23
Paytm General Insurance Limited	*	-	-
	855	**987**	**1,489**
Expenses reimbursed to related party			
Paytm First Games Private Limited	87	-	-
	87	**-**	**-**
Interest income earned from related parties			
Paytm Payments Bank Limited	14	26	39
Paytm Financial Services Limited	2	-	-
Paytm First Games Private Limited	20	-	-
	36	**26**	**39**
Other income earned from related parties#			
Paytm Payments Bank Limited	122	-	-
	122	**-**	**-**
Sale of property, plant & equipment to related parties			
Paytm Payments Bank Limited	1	186	-
	1	**186**	**-**
Gain on sale of business			
Paytm First Games Private Limited	-	-	422
	-	**-**	**422**
Services received from related parties			
-Payment processing charges			
Paytm Payments Bank Limited	9,468	9,690	9,183
	9,468	**9,690**	**9,183**
-General expenses			
Paytm Payments Bank Limited	374	1,091	71
Alipay Labs (Singapore) Pte Limited	1,057	793	510
Eatgood Technologies Private Limited	20	-	-
Paytm Insuretech Private Limited	2	-	-
	1,453	**1,884**	**581**
Issue of equity shares			
Alipay Singapore E-Commerce Private Limited	-	8	-
SAIF Partners India IV Limited	-	-	1
	-	**8**	**1**
Security premium received			
Alipay Singapore E-Commerce Private Limited	-	14,322	-
SAIF Partners India IV Limited	-	-	999
	-	**14,322**	**999**
Inter corporate loan given			
Paytm Financial Services Limited	450	-	-
Paytm First Games Private Limited	809	-	-
	1,259	**-**	**-**
Stock Options granted to employees of Group Companies			
Paytm First Games Private Limited	19	33	28
	19	**33**	**28**
Investment in joint venture			
Paytm First Games Private Limited	-	805	597
	-	**805**	**597**
Investment in associates			
Paytm General Insurance Limited	5	-	*
Paytm Life Insurance Limited	-	-	*
Blueface Technologies Private Limited	-	99	-
Infinity Transoft Solution Private Limited	-	100	-
Eatgood Technologies Private Limited	82	490	-
	87	**689**	**1**

#Included under miscellaneous income disclosed under note 15.
*Amount below rounding off norms adopted by the Group

Remuneration to KMP & Relatives of Individuals owning interest in the voting power of the Group that gives the control or significant influence

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Salaries, bonus and incentives	72	56	61
ESOP Expenses	112	45	94
Total compensation paid	**184**	**101**	**155**

(Amounts in INR Million, unless otherwise stated)

b) The following is the summary of balances outstanding with related parties for the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
Paytm First Games Private Limited	146	63	12
Alibaba.com Singapore E-Commerce Private Limited	1	1	1
Paytm Payments Bank Limited	19	75	167
Paytm Financial Services Limited	*	-	-
Paytm General Insurance Limited	*	-	-
Infinity Transoft Solution Private Limited	*	-	-
	166	**139**	**180**
Other financial assets (Amount receivable for sale of business)			
Paytm Payments Bank Limited	138	275	410
	138	**275**	**410**
Other current assets			
Paytm Payments Bank Limited	2,785	1,501	1,061
Paytm General Insurance Limited	17	-	-
	2,802	**1,501**	**1,061**
Inter corporate loan receivable (including accrued interest)			
Paytm Financial Services Limited	451	-	-
Paytm First Games Private Limited	828	-	-
	1,279	**-**	**-**
Amount receivable from payment gateway			
Paytm Payments Bank Limited	8,546	2,864	5,110
	8,546	**2,864**	**5,110**
Trade receivables			
Paytm Payments Bank Limited	93	41	161
Paytm First Games Private Limited	160	-	-
	253	**41**	**161**
Other financial assets			
Paytm Payments Bank Limited	423	1,143	1
Paytm First Games Private Limited	11	-	-
Infinity Transoft Solution Private Limited	*	-	-
	434	**1,143**	**1**
Trade payables (including accrued expenses)			
Alipay Labs (Singapore) Pte Limited	337	809	409
Paytm Payments Bank Limited	124	86	167
Paytm First Games Private Limited	1	*	-
Paytm Insuretech Private Limited	2	-	-
Eatgood Technologies Private Limited	1	-	-
Paytm General Insurance Limited	*	*	-
	466	**896**	**576**
Other financial liabilities			
-Payable to merchants			
Socomo Technologies Private Limited	*	*	*
Paytm Payments Bank Limited	722	132	2,413
Paytm First Games Private Limited	-	*	1
Eatgood Technologies Private Limited	*	-	-
Infinity Transoft Solution Private Limited	*	-	-
	722	**132**	**2,414**
-Others			
Paytm Payments Bank Limited	83	-	-
Socomo Technologies Private Limited	*	-	*
	83	**-**	*
Contract Liabilities			
Infinity Transoft Solution Private Limited	*	2	-
Eatgood Technologies Private Limited	*	-	-
	*	**2**	**-**
Other Current Liabilities			
Paytm First Games Private Limited	81	79	-
	81	**79**	**-**
Balances with banks on current account			
Paytm Payments Bank Limited	-	*	*
	-	*	*

*Amount below rounding off norms adopted by the Group

Terms and conditions of transactions with related parties

(i) The services provided and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and interest free (except for inter corporate loan receivable) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(ii) The remuneration to the key managerial personnel ('KMP') does not include the provisions made for gratuity and leave benefits as they are determined on an actuarial basis for the Group as a whole.

(iii) The Holding Company has agreed to provide appropriate financial support only if and to the extent required by certain of its subsidiaries and one of its joint venture.

(iv) No remuneration in the capacity of a director is paid to any director of the Holding Company except as disclosed above.

(Amounts in INR Million, unless otherwise stated)

c) The following are the details of the transactions eliminated during the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

(i) One97 Communications Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Rendering of services to related parties			
One97 Communications Nigeria Limited	-	1	1
One97 Communications FZ-LLC	7	10	2
Mobiquest Mobile Technologies Private Limited	8	84	62
Wasteland Entertainment Private Limited	8	50	11
Nearbuy India Private Limited	74	32	26
Little Internet Private Limited	*	2	9
Paytm Labs Inc.	-	-	1
Urja Money Private Limited	*	-	-
Orbgen Technologies Private Limited	3	21	6
One97 Uganda Limited	-	-	*
One97 Benin SA	-	-	*
Paytm Services Private Limited	18	-	-
Paytm Insurance Broking Private Limited	2	-	-
One97 Communications Tanzania Private Limited	1	3	1
Paytm Money Limited	25	25	7
One97 Communications Malaysia Sdn. Bdn	225	211	-
One97 Communications Singapore Private Limited	1	*	-
One97 Communications Bangladesh Private Limited	*	1	-
One Nine Seven Communication Nepal Private Limited	27	48	1
	399	**488**	**127**
Reimbursement of expenses incurred on behalf of related parties			
Mobiquest Mobile Technologies Private Limited	1	*	2
Paytm Money Limited	28	47	15
Wasteland Entertainment Private Limited	7	-	-
Urja Money Private Limited	*	-	-
Nearbuy India Private Limited	5	-	-
Orbgen Technologies Private Limited	5	-	-
Paytm Entertainment Limited	*	-	-
Paytm Labs Inc.	22	56	139
One97 Communications Malaysia Sdn. Bdn	-	-	86
Paytm Services Private Limited	3	2	-
Paytm Payments Services Limited	2	-	-
One97 Communications Singapore Private Limited	24	-	-
Paytm Insurance Broking Private Limited	5	3	-
	102	**108**	**242**
Expenses reimbursed to related party			
Paytm Money Limited	20	-	-
	20	**-**	**-**
Interest income earned from related parties			
Urja Money Private Limited	*	2	2
Little Internet Private Limited	8	2	-
	8	**4**	**2**
Purchase of property, plant & equipment from related parties			
One97 Ivory Coast SA	-	2	-
Paytm Insuretech Private Limited	-	-	2
Paytm Services Private Limited	-	-	*
	-	**2**	**2**
Sale of property, plant & equipment to related parties			
One Nine Seven Communication Nepal Private Limited	-	1	-
Paytm Money Limited	-	2	1
	-	**3**	**1**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Services received from related parties			
-Legal and professional fees			
Paytm Labs Inc.	1,395	958	634
	1,395	**958**	**634**
-General expenses			
Orbgen Technologies Private Limited	63	20	55
Wasteland Entertainment Private Limited	143	90	-
Urja Money Private Limited	5	8	-
Paytm Entertainment Limited	2	-	-
Paytm Money Limited	9	-	-
Fincollect Services Private Limited	15	5	-
Paytm Services Private Limited	1,170	278	-
Little Internet Private Limited	1	1	-
Nearbuy India Private Limited	11	4	-
Mobiquest Mobile Technologies Private Limited	6	3	-
	1,425	**409**	**55**
Inter corporate loan given			
Little Internet Private Limited	-	70	2
Urja Money Private Limited	10	-	-
	10	**70**	**2**
Investment in subsidiaries			
One97 Communications India Limited	-	-	430
Paytm Entertainment Limited	821	805	610
Wasteland Entertainment Private Limited	219	-	847
Paytm Money Limited	1,000	800	689
Mobiquest Mobile Technologies Private Limited	93	-	-
Paytm Services Private Limited	30	-	16
Paytm Payments Services Limited	500	-	-
Paytm Insurance Broking Private Limited	700	50	-
Orbgen Technologies Private Limited	-	-	1,265
Little Internet Private Limited#	-	-	(10)
Cube26 Software Private Limited	-	-	7
Paytm Insuretech Private Limited	-	-	6
Urja Money Private Limited	-	80	80
	3,363	**1,735**	**3,940**
#During the year ended March 31, 2019, the Holding Company has allotted shares amounting to INR 1,726 based on the share swap ratio. This has resulted in an adjustment of INR 10 in the carrying value of investments. For further details refer note 10(a).			
Stock Options granted to employees of Group Companies			
Paytm Entertainment Limited	20	33	28
One97 Communications Singapore Private Limited	91	198	142
Paytm Money Limited	(19)	57	15
Orbgen Technologies Private Limited	84	161	74
Paytm Insurance Broking Private Limited	21	5	-
Paytm Services Private Limited	3	1	-
One97 Communications India Limited	*	-	-
Wasteland Entertainment Private Limited	66	*	-
	266	**455**	**259**

(ii) Urja Money Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Rendering of services to related party			
Fincollect Services Private Limited	4	11	-
	4	**11**	**-**
Services received from related parties			
-Collection Charges Paid			
Fincollect Services Private Limited	1	2	-
	1	**2**	**-**
Interest income earned from related parties			
Fincollect Services Private Limited	*	*	-
	*	*	**-**
Reimbursement of expenses incurred on behalf of related party			
Fincollect Services Private Limited	7	6	-
	7	**6**	**-**
Loan given			
Fincollect Services Private Limited	5	-	-
	5	**-**	**-**
Loan received back			
Fincollect Services Private Limited	3	-	-
	3	**-**	**-**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

(iii) Little Internet Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Services received from related parties			
-General expenses			
Nearbuy India Private Limited	*	13	113
	*****	**13**	**113**
Reimbursement of expenses incurred on behalf of related parties			
Nearbuy India Private Limited	4	17	29
	4	**17**	**29**
Investment in subsidiary			
Nearbuy India Private Limited	66	18	443
	66	**18**	**443**

(iv) Paytm Money Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Services received from related parties			
-General expenses			
Paytm Services Private Limited	3	-	-
Paytm Labs Inc.	3	4	-
Orbgen Technologies Private Limited	*	-	-
	6	**4**	**-**

(v) Mobiquest Mobile Technologies Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Re-imbursement of amount collected by related party			
Xceed IT Solution Private Limited	-	-	1
	-	**-**	**1**

(vi) Paytm Insurance Broking Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Services received from related parties			
-General expenses			
Orbgen Technologies Private Limited	*	-	-
Wasteland Entertainment Private Limited	*	-	-
	*****	**-**	**-**
Gratuity & Leave encashment liability on transfer of employees to Paytm Insurance Broking Private Limited			
Paytm Services Private Limited	*	-	-

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

d) The following are the details of the balances eliminated during the year ended March 31, 2021, March 31, 2020 and March 31, 2019:

(i) One97 Communications Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
One97 Benin SA	5	5	5
One97 Communications FZ-LLC	1	2	*
One97 Communications Nigeria Limited	12	12	11
One97 Communications Tanzania Private Limited	-	*	-
One97 Ivory Coast SA	2	2	2
One97 Uganda Limited	-	-	*
One97 Communications Bangladesh Private Limited	20	20	19
Paytm Labs Inc.	-	534	712
Paytm Money Limited	34	25	9
Mobiquest Mobile Technologies Private Limited	*	5	4
One97 Communications India Limited	*	*	2
Paytm Insurance Broking Private Limited	9	1	-
One Nine Seven Communication Nepal Private Limited	5	4	*
One97 Communications Malaysia Sdn. Bdn	7	-	85
Orbgen Technologies Private Limited	5	*	-
Paytm Payments Services Limited	-	-	-
Urja Money Private Limited	*	-	-
Nearbuy India Private Limited	3	-	-
Wasteland Entertainment Private Limited	3	-	-
Paytm Services Private Limited	3	-	-
Paytm Entertainment Limited	*	-	-
One97 Communications Singapore Private Limited	-	1	-
	109	**611**	**849**
Loss allowance for other receivable for expenditure incurred			
One97 Communications Nigeria Limited	10	5	5
One97 Communications Rwanda Private Limited	-	5	5
One97 Communications Bangladesh Private Limited	19	6	6
One97 Ivory Coast SA	2	3	3
One97 Benin SA	5	4	4
One97 Uganda Limited	-	8	8
Paytm Labs Inc.	-	2	2
	36	**33**	**33**
Other current assets			
Wasteland Entertainment Private Limited	83	119	59
Paytm Services Private Limited	203	50	-
Little Internet Private Limited	2	-	2
Fincollect Services Private Limited	19	-	-
Paytm Payments Services Limited	9	-	-
Paytm Money Limited	1	-	-
Paytm Financial Services Limited	-	*	-
	317	**169**	**61**
Inter corporate loan receivable (including accrued interest)			
Little Internet Private Limited	80	72	-
Urja Money Private Limited	10	-	24
	90	**72**	**24**
Trade receivables			
One97 Communications Nigeria Limited	169	173	160
One97 Benin SA	*	*	*
One97 Communications Bangladesh Private Limited	1	1	1
One97 Uganda Limited	-	-	*
Mobiquest Mobile Technologies Private Limited	*	84	60
Paytm Money Limited	6	5	3
Paytm Labs Inc.	-	-	121
Orbgen Technologies Private Limited	2	1	-
Fincollect Services Private Limited	*	13	-
One Nine Seven Communication Nepal Private Limited	59	38	-
One97 Communications Malaysia Sdn. Bdn	306	269	-
Wasteland Entertainment Private Limited	46	37	12
	589	**621**	**357**

*Amount below rounding off norms adopted by the Group

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure V - Notes to the Restated Consolidated Financial Information
(Amounts in INR Million, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Loss allowance for Trade receivables			
One97 Communications Bangladesh Private Limited	1	-	-
One97 Benin SA	*	-	-
One97 Communications Nigeria Limited	169	130	60
	170	**130**	**60**
Other financial assets			
Orbgen Technologies Private Limited	*	*	1
Wasteland Entertainment Private Limited	2	17	-
Mobiquest Mobile Technologies Private Limited	*	5	5
Paytm Money Limited	6	-	-
Little Internet Private Limited	*	-	-
Nearbuy India Private Limited	65	2	-
Paytm Insurance Broking Private Limited	*	*	-
Paytm Payments Services Limited	2	-	-
Paytm Services Private Limited	*	-	-
One97 Communications Nigeria Limited	*	*	-
One97 Communications FZ-LLC	5	4	-
One97 Communications Tanzania Private Limited	1	1	-
One97 Benin SA	*	*	-
One97 Communications Bangladesh Private Limited	*	1	-
One97 Communications Singapore Private Limited	25	*	-
One Nine Seven Communication Nepal Private Limited	2	2	-
One97 Communications Malaysia Sdn. Bdn	22	8	-
	130	**40**	**6**
Trade payables (including accrued expenses)			
One97 Communications India Limited	-	1	-
Orbgen Technologies Private Limited	3	*	78
Wasteland Entertainment Private Limited	57	44	95
Paytm Services Private Limited	244	49	-
Urja Money Private Limited	5	8	-
Fincollect Services Private Limited	10	5	-
Paytm Insurance Broking Private Limited	*	9	-
Mobiquest Mobile Technologies Private Limited	1	*	-
Paytm Entertainment Limited	2	*	-
Nearbuy India Private Limited	1	*	-
Little Internet Private Limited	2	1	-
Paytm Labs Inc.	109	-	454
Paytm Money Limited	25	3	3
	459	**120**	**630**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial liabilities			
-Payable to merchants			
Little Internet Private Limited	*	-	1
Nearbuy India Private Limited	5	5	19
Urja Money Private Limited	*	-	-
Orbgen Technologies Private Limited	*	3	12
Wasteland Entertainment Private Limited	*	8	-
Mobiquest Mobile Technologies Private Limited	*	-	-
Paytm Services Private Limited	2	-	-
Fincollect Services Private Limited	*	*	-
	7	**16**	**32**
-Payable on purchase of fixed assets			
Orbgen Technologies Private Limited	3	22	14
Paytm Money Limited	*	-	-
Paytm Insuretech Private Limited	-	1	2
One97 Ivory Coast SA	-	2	-
Paytm Services Private Limited	-	*	*
	3	**25**	**16**
-Others			
One97 Communications Tanzania Private Limited	-	-	5
One97 Uganda Limited	-	-	1
One97 USA Inc.	-	-	25
	-	**-**	**31**
Other amount received from customers (Other financial liabilities)			
Little Internet Private Limited	*	-	1
Nearbuy India Private Limited	*	-	-
Mobiquest Mobile Technologies Private Limited	*	-	-
Urja Money Private Limited	*	-	-
Wasteland Entertainment Private Limited	*	-	*
	-	**-**	**1**
Contract Liabilities			
Paytm Services Private Limited	3	-	-
Orbgen Technologies Private Limited	-	-	*
	3	**-**	*****

(ii) Urja Money Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Trade payables (including accrued expenses)			
Fincollect Services Private Limited	-	2	-
	-	**2**	**-**
Trade receivables			
Fincollect Services Private Limited	1	11	-
	1	**11**	**-**
Other receivable			
Fincollect Services Private Limited	2	8	-
	2	**8**	**-**
Inter corporate loan receivable (including accrued interest)			
Fincollect Services Private Limited	8	*	-
	8	*****	**-**
Unbilled revenue			
Fincollect Services Private Limited	1	-	-
	1	**-**	**-**

(iii) Little Internet Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other receivable			
Nearbuy India Private Limited	4	4	-
	4	**4**	**-**
Trade payables (including accrued expenses)			
Nearbuy India Private Limited	-	-	*
	-	**-**	*****

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

(iv) Paytm Money Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Trade payables (including accrued expenses)			
Paytm Services Private Limited	-	1	-
	-	**1**	**-**
Other financial assets			
Paytm Services Private Limited	*	-	-
	-	**-**	**-**

(v) Mobiquest Mobile Technologies Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets			
Xceed IT Solution Private Limited	10	10	10
	10	**10**	**10**

(vi) One97 Communications Singapore Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
One Nine Seven Communication Nepal Private Limited	1	1	*
One97 Benin SA	10	11	10
One97 Communications Bangladesh Private Limited	1	1	1
One97 Communications FZ-LLC	-	77	74
One97 Communications Nigeria Limited	*	*	*
One97 Ivory Coast SA	*	*	*
One97 Uganda Limited	3	3	3
One Nine Seven Digital Solutions Limited	*	-	-
One Nine Seven Communications Saudi Arabia for Communication and Information Technology	1	-	-
	18	**93**	**88**
Loss allowance for other receivable for expenditure incurred			
One97 Communications Bangladesh Private Limited	1	1	-
One97 Communications Nigeria Limited	*	*	-
One97 Benin SA	10	10	-
One97 Uganda Limited	3	3	-
One97 Ivory Coast SA	*	*	-
One97 Communications FZ-LLC	-	51	-
	14	**65**	**-**
Other financial liabilities			
One97 Benin SA	*	*	-
One97 Ivory Coast SA	1	1	1
One97 Communications FZ-LLC	-	-	27
	1	**1**	**28**

(vii) One97 Communications Tanzania Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
One97 Benin SA	*	*	-
One97 Ivory Coast SA	2	2	2
One97 Uganda Limited	1	1	1
Paytm Labs Inc	-	-	10
	3	**3**	**13**
Other financial liabilities			
One97 Benin SA	*	*	*
Paytm Labs Inc	-	-	10
	*****	*****	**10**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

(viii) One97 Communications FZ-LLC

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
One97 Communications Nigeria Limited	1	1	*
One97 Benin SA	4	4	4
One97 Ivory Coast SA	*	*	*
One97 Uganda Limited	*	*	*
One Nine Seven Communications Saudi Arabia for Communication and Information Technology	1	-	-
	7	**5**	**4**
Other financial liabilities			
One97 Communications Bangladesh Private Limited	*	*	*
Paytm Labs Inc	-	-	21
	*	*	**21**

(ix) One97 Benin SA

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)			
One97 Communications Nigeria Limited	1	-	-
	1	**-**	**-**
Other financial liabilities			
One97 Communications Nigeria Limited	10	11	10
One97 Communications Rwanda Private Limited	*	*	*
	10	**11**	**10**

e) The following are the details of the investment eliminated during the year ended March 31, 2021, March 31, 2020 and March 31, 2019

(i) One97 Communications Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Investment in equity			
One97 Communications Nigeria Limited	3	3	3
One97 Communications FZ LLC	21	21	21
One97 Communications India Limited	832	832	832
One97 Communications Singapore Private Limited	620	529	331
One97 USA Inc	33	33	33
Paytm Financial Services Limited	-	20	20
Paytm Entertainment Limited	2,317	1,476	638
Paytm Money Limited	2,641	1,660	803
Wasteland Entertainment Private Limited	1,481	1,197	1,197
Orbgen Technologies Private Limited	1,585	1,500	1,339
Urja Money Private Limited	220	220	140
Mobiquest Mobile Technologies Private Limited	195	102	102
Little Internet Private Limited	2,713	2,713	2,713
Paytm Insuretech Private Limited	-	26	26
Paytm Services Private Limited	50	17	16
Cube 26 software private limited	-	-	7
Paytm Insurance Broking Private Limited	776	55	-
Paytm Payments Services Limited	500	-	-
Provision for diminution in value of equity			
Wasteland Entertainment Private Limited	650	300	-
Orbgen Technologies Private Limited	1,185	1,185	751
Little Internet Private Limited	2,713	2,713	510
Paytm Insuretech Private Limited	-	26	26

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

(ii) Urja Money Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Investment in equity			
Fincollect Services Private Limited	1	1	-

(iii) Little Internet Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Investment in equity			
Nearbuy India Private Limited	3,340	3,275	3,257
Provision for diminution in value of equity			
Nearbuy India Private Limited	3,340	3,275	510

(iv) Mobiquest Mobile Technologies Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Investment in equity			
Xceed IT Solution Private Limited	2	2	2
Provision for diminution in value of equity			
Xceed IT Solution Private Limited	2	2	2

(v) One97 Communications Singapore Private Limited

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Investment in equity			
One97 Communications Rwanda Private Limited	14	13	13
One97 Communications Tanzania Private Limited	66	64	63
One97 Communications Bangladesh Private Limited	3	3	3
One97 Uganda Limited	29	28	27
One97 Ivory Coast SA	1	1	1
One97 Benin SA	1	1	1
Paytm Labs Inc.	341	330	321
One97 Communications Malaysia Sdn. Bdn	2	2	2
One Nine Seven Communication Nepal Private Limited	3	3	3
One Nine Seven Digital Solutions Ltd	4	-	-
One Nine Seven Communications Saudi Arabia for Communication and Information Technology	11	-	-
Provision for diminution in value of equity			
One97 Communications Rwanda Private Limited	14	13	13
One97 Communications Tanzania Private Limited	66	64	63
One97 Uganda Limited	29	28	27
One97 Ivory Coast SA	1	1	1
One97 Benin SA	1	1	1

f) Additional disclosure required u/s 186 (4) of the Companies Act, 2013

Intercompany loans given by Holding Company, particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Little Internet Private Limited (refer note (i) below)	80	72	-
Urja Money Private Limited (refer note (ii) below)	10	-	24
Paytm Financial Services Limited (refer note (iii) below)	451	-	-

(i) Outstanding loans carry interest rate of 12% (March 31, 2020 : 12%; March 31, 2019 : Nil%) and loan is provided for carrying on its business.
(ii) Outstanding loans carry interest rate of 12% (March 31, 2020 : Nil; March 31, 2019 : 11%) and loan is provided for carrying on its business.
(iii) Outstanding loans carry interest rate of 5.10% and loan is provided for carrying on its business. No intercompany loan outstanding as at March 31, 2020 and March 31, 2019.

(Amounts in INR Million, unless otherwise stated)

27. Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Holding company makes contributions to recognised fund/insurer in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. Disclosures given below are as per actuarial valuation report of independent actuary.

The following tables summarize the components of net benefit expenses recognized in the Restated Consolidated Statement of Profit and Loss and the funded status and amount recognized in the Restated Consolidated Statement of Assets and Liabilities.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2021:

		Defined benefit obligation	Fair value of plan assets #	Benefit liability (Net)
	As at April 01, 2020	309	(100)	209
Gratuity cost charged to profit or loss	Current Service cost	93	-	-
	Net interest expense/ (income)	20	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(7)	-
	Sub-total included in profit or loss	**113**	**(7)**	**106**
Remeasurement (gains)/losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	8	-	-
	Experience adjustments	10	(1)	-
	Sub-total included in OCI	**18**	**(1)**	**17**
	Net liability acquired on transfer of employees to Group	8	-	8
	Benefits paid	(35)	29	(6)
	Contributions by employer	-	(90)	(90)
	As at March 31, 2021	**413**	**(169)**	**244**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020:

		Defined benefit obligation	Fair value of plan assets #	Benefit liability (Net)
	As at April 01, 2019	232	(111)	121
Gratuity cost charged to profit or loss	Current Service cost	73	-	-
	Net interest expense/ (income)	18	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(9)	-
	Sub-total included in profit or loss	**91**	**(9)**	**82**
Remeasurement (gains)/losses in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	*	-	-
	Actuarial changes arising from changes in financial assumptions	1	-	-
	Experience adjustments	3	*	-
	Sub-total included in OCI	**4**	*****	**4**
	Net liability acquired on transfer of employees to Group	9	-	9
	Benefits paid	(27)	19	(7)
	As at March 31, 2020	**309**	**(100)**	**209**

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2019:

		Defined benefit obligation	Fair value of plan assets #	Benefit liability (Net)
	As at April 01, 2018	170	(68)	102
	Liability acquired in business combinations	9	-	9
Gratuity cost charged to profit or loss	Current Service cost	71	-	-
	Net interest (expense)/ income	14	-	-
	Return on plan assets (excluding amounts included in net interest expense)	-	(5)	-
	Sub-total included in profit or loss	**85**	**(5)**	**80**
Remeasurement gains/(losses) in other comprehensive income	Actuarial changes arising from changes in demographic assumptions	-	-	-
	Actuarial changes arising from changes in financial assumptions	(9)	-	-
	Experience adjustments- (Gain)/ Loss	14	(1)	-
	Sub-total included in OCI	**5**	**(1)**	**4**
	Net liability acquired on transfer of employees to Group	(23)	-	(23)
	Benefits paid	(14)	8	(6)
	Contributions by employer	-	(45)	(45)
	As at March 31, 2019	**232**	**(111)**	**121**

Fair value of the total plan assets are 100% in funds managed by Insurer.

(Amounts in INR Million, unless otherwise stated)

The net liability disclosed above relates to funded plans as follows:

	March 31, 2021	March 31, 2020	March 31, 2019
Present value of the obligations at end	413	309	232
Fair value of plan assets	(169)	(100)	(111)
Deficit of funded plan/gratuity plan	**244**	**209**	**121**

The principal assumptions used in determining defined benefit obligations are shown below:

(i) Economic Assumptions

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
	%	%	%
Discount rate	6.76	6.76	7.66
Future salary increases	10	FY 20-21: 0 FY 21-22: 5 Post FY 21-22: 10	10

(ii) Demographic Assumptions

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Retirement Age (Years)	60	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Ages	Withdrawal Rate %		
Up to 30 Years	30	30	30
From 31 to 44 years	30	30	30
Above 44 years	30	30	30

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:

	March 31, 2021		March 31, 2021	
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(1)	14	13	*

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

	March 31, 2020		March 31, 2020	
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(6)	6	5	(5)

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

	March 31, 2019		March 31, 2019	
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(13)	13	13	(13)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are INR 114 (March 31, 2021: INR 84; March, 2020: INR 68).

The weighted average duration of the defined benefit obligation is 2.76 years (March 31, 2020: 2.76; March 31, 2019: 2.76).

The expected maturity analysis of gratuity is as follows:

	March 31, 2021	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	73	53	37
Between 1-2 years	78	58	31
Between 2 and 5 years	150	112	76
Beyond 5 years	112	86	88
Total expected payments	**413**	**309**	**232**

(Amounts in INR Million, unless otherwise stated)

Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan assets are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, there will be a deficit of the plan asset investments in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to an acceptable level.
Changes in bond yields: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Inflation risks: The payments are not linked to inflation, so this is a less material risk.
Life expectancy: Obligations are to provide benefits for the life of the member, so increases in life expectancy and inflation will result in an increase in the plans' liabilities. This is particularly significant where inflationary conditions result in higher sensitivity to changes in life expectancy.

Major categories of plans assets are as follows:

	March 31, 2021		March 31, 2020		March 31, 2019	
Particulars	**Amount**	**in %**	**Amount**	**in %**	**Amount**	**in %**
Government securities	(67)	39.39	(45)	45.22	(45)	40.79
Non convertible debentures	(85)	50.37	(45)	44.51	(58)	52.12
Others	(17)	10.24	(10)	10.27	(8)	7.09
Total	**(169)**	**100.00**	**(100)**	**100.00**	**(111)**	**100.00**

*Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

28. Income Tax

The major components of income tax expense for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are:

Restated Consolidated Statement of Profit and Loss:

	March 31, 2021	March 31, 2020	March 31, 2019
Current income tax:			
Current income tax charge	34	16	6
Deferred tax:			
Relating to origination and reversal of temporary differences	(7)	(174)	(71)
Income tax expense reported in the restated consolidated statement of profit or loss	**27**	**(158)**	**(65)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021, March 31, 2020 and March 31, 2019:

	March 31, 2021	March 31, 2020	March 31, 2019
Accounting profit before income tax	(16,983)	(29,582)	(42,374)
At India's statutory income tax rate of 25.17% (March 31, 2020: 25.17%; March 31, 2019: 31.20%)	(4,274)	(7,445)	(13,221)
Tax expense during the year for One97 Employee Welfare Trust	2	1	1
Share of results of associates	186	141	(46)
Tax in foreign jurisdiction	(18)	1	1
Effect of tax free rates in foreign jurisdiction	(29)	(10)	(15)
Other non-deductible items	72	129	(25)
Losses on which deferred taxes not recognised*	3,762	5,829	12,828
Unabsorbed depreciation on which deferred taxes not recognised*	250	247	268
Other temporary differences on which deferred taxes utilised	(7)	(174)	(50)
Other temporary differences on which deferred taxes not recognised*	83	1,123	194
	27	**(158)**	**(65)**
Income tax expense reported in the restated consolidated statement of profit and loss	27	(158)	(65)

Deferred tax relates to the following:

	Restated Consolidated Statement of Assets and Liabilities			Restated Consolidated Statement of Profit and Loss		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Deferred tax liabilities						
Accelerated depreciation for tax purposes	(6)	(11)	(278)	(6)	(267)	(48)
Unrealised gain on investments	-	(115)	(355)	(115)	(239)	-
Deferred tax assets				-	-	
Unabsorbed depreciation	-	115	448	115	332	-
Net deferred tax liabilities	**(6)**	**(11)**	**(185)**			
Deferred tax assets						
Accelerated depreciation for tax purposes	6	3	2	(1)	-	*
Provision for doubtful debts	4	4	4	-	-	-
Losses available for offsetting against future taxable income	24	24	23	-	-	-
Deferred tax liabilities			-			
Unrealised foreign exchange gain/loss	1	1	1	-	*	(23)
Net deferred tax assets	**35**	**32**	**30**			
Deferred tax expense/(income)				**(7)**	**(174)**	**(71)**

Reconciliation of deferred tax assets and deferred tax liabilities

	Net deferred tax liabilities			Net deferred tax assets		
	March 31, 2021	**March 31, 2020**	**March 31, 2019**	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Opening balance as of 1 April	(11)	(185)	(227)	32	30	8
Tax income/(expense) during the period recognised in profit or loss	6	174	48	*	*	22
Impact of Foreign currency translation reserves	(1)	-	*	3	2	-
Deferred taxes acquired in business combinations	-	-	(6)	-	-	-
Closing balance as at 31 March	**(6)**	**(11)**	**(185)**	**35**	**32**	**30**

* As at the year ended on March 31, 2021, March 31, 2020 and March 31, 2019 the Group is having net deferred tax assets comprising of deductible temporary differences, brought forward losses and unabsorbed depreciation under tax laws. However in the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been created.

Deductible temporary differences for which no deferred tax asset is recognised in the Restated Consolidated Statement of Assets and Liabilities:

Particulars	**Expiry Date (Year ending March 31,)**	**As of March 31,2021**	**As of March 31, 2021 Tax impact @ 25.17%**
Tax Losses	2023	3,316	835
	2024	14,943	3,761
	2025	7,179	1,807
	2026	13,937	3,508
	2027	38,247	9,626
	2028	22,715	5,717
	2029	14,948	3,762
Total tax losses		**1,15,285**	**29,016**
Unabsorbed depreciation	No expiry period	4,402	1,108
Other temporary differences		9,351	2,353
Total		**1,29,038**	**32,477**

Deductible temporary differences for which no deferred tax asset is recognised in the Restated Consolidated Statement of Assets and Liabilities:

Particulars	**Expiry Date (Year ending March 31,)**	**As of March 31,2020**	**As of March 31, 2020 Tax impact @ 25.17%**
Tax Losses	2023	3,316	835
	2024	15,218	3,830
	2025	7,577	1,907
	2026	14,624	3,681
	2027	38,256	9,628
	2028	23,162	5,829
Total tax losses		**1,02,153**	**25,710**
Unabsorbed depreciation	No expiry period	3,203	806
Other temporary differences		9,225	2,322
Total		**1,14,581**	**28,838**

Deductible temporary differences for which no deferred tax asset is recognised in the Restated Consolidated Statement of Assets and Liabilities:

Particulars	**Expiry Date (Year ending March 31,)**	**As of March 31,2019**	**As of March 31, 2019 Tax impact @ 31.20%**
Tax Losses	2023	3,316	1,035
	2024	15,218	4,748
	2025	7,577	2,364
	2026	14,624	4,563
	2027	38,256	11,936
Total tax losses		**78,991**	**24,646**
Unabsorbed depreciation	No expiry period	1,246	389
Other temporary differences		4,332	1,351
Total		**84,569**	**26,386**

(Amounts in INR Million, unless otherwise stated)

29. Commitments and contingencies

a. Leases

Operating lease: Group as Lessee

The Group has taken certain office space on operating lease. Rental expense towards leases charged to Restated Consolidated Statement of Profit and Loss amount to INR 92, INR 148 and INR 128 for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively.

The Group leases various offices under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

b. Lease not yet commenced

During the year ended March 31, 2021, the Holding company has entered into a lease agreement for 9 years having lock-in period of 5 years, for which lease is not yet commenced as on March 31, 2021. The Group is committed to pay lease rentals of INR 1,439 over the period of 5 years. No such arrangement existed as on March 31, 2020 and March 31, 2019.

c. Capital commitments

Estimated amount of contracts towards property, plant & equipment remaining to be executed on capital account and not provided for is INR 3,724 (Net of capital advance of INR 179) [March 31 2020: INR 871 (Net of capital advance of INR 53) and March 31, 2019 : INR 403 (Net of capital advances of INR 23)].

d. Contingent liabilities

i)

	March 31, 2021	March 31, 2020	March 31, 2019
Claims against the Group not acknowledged as debts	476	465	64
Income Tax related matters	16	-	-
Total	**492**	**465**	**64**

ii) The Group will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these restated consolidated financial information.

iii) During the year ended March 31, 2021, the Holding Company has been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. The Holding Company actively monitors such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.

Notes:
1) It is not practicable for the Group to estimate the timing of cash outflows, if any.

2) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(Amounts in INR Million, unless otherwise stated)

30. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	March 31, 2021	March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due under MSMED Act	34	101	103
- Interest due on above	1	1	2
	35	102	105
The 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	-	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-	-
The 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 the MSMED Act 2006.	9	4	8
The amount of interest accrued and remaining unpaid at the end of each accounting year, for payment already made	21	12	8
The amount of further interest remaining due and payable even in the earlier 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	-	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	649	459	389

Total Oustanding dues of micro and small enterprises is INR 56 (March 31, 2020: INR 114; March 31, 2019: INR 113).

(Amounts in INR Million, unless otherwise stated)

31. Fair value

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the group's assets and liabilities:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021

	As of March 31, 2021	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investment in equity shares	248	-	-	248
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	40	-	-	40
Investments in Equity Shares	53	-	-	53
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	6,251	-	-	6,251

*The Holding Company has an option to covert into equity shares of counter party.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2020

	As of March 31, 2020	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investments in Equity Shares	76	-	-	76
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	596	-	-	596
Investments in Equity Shares	132	-	-	132
Investment in Mutual Funds	22,266	22,266	-	-
Other financial assets at fair value through Profit and loss				
Other receivable from other parties*	5,852	-	-	5,852

*The Holding Company has an option to covert into equity shares of counter party.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2019

	As of March 31, 2019	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments at fair value through OCI				
Investments in Equity Shares	80	-	-	80
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference Shares	896	-	-	896
Investments in Equity Shares	75	-	-	75
Investment in Mutual Funds	23,988	23,988	-	-

The Group has assessed that fair value of all other financial assets and liabilities including cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, loans, other financial assets, investments, trade payables, lease liabilities, borrowings and other financial liabilities, approximate their carrying amounts.

(Amounts in INR Million, unless otherwise stated)

32. Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to business risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular internal reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a. 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 prices comprise three types of risk: interest rate risk, foreign currency risk and price risk. 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.

(i) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, being a 0.5% increase or decrease in interest rate, with all other variables held constant, of the Group's loss before tax due to the impact on floating rate borrowings.

As at	March 31, 2021	March 31, 2020	March 31, 2019
Effect on loss before tax:			
Decrease by 50 bps	(27)	(10)	(35)
Increase by 50 bps	27	10	35

Other financial assets and liabilities of the Group are either non-interest bearing or fixed interest bearing instruments, the Group's net exposure to interest risk on such instruments is negligible.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Group's borrowings while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Price risk

The Group invests its surplus funds in various debt instruments, fixed deposits and debt mutual funds. These comprise of primarily debt based mutual funds (liquid investments), debentures and fixed deposits. All mutual fund investments are in liquid scheme only.

Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.
Set out below is the impact of a 0.25% movement in the NAV of mutual funds and debt instruments on the Group's loss before tax:

	Change in NAV	Effect on loss before tax
March 31, 2021	0.25%	(4)
	-0.25%	4
March 31, 2020	0.25%	(80)
	-0.25%	80
March 31, 2019	0.25%	(62)
	-0.25%	62

The Group's is also exposed to equity/ preference shares price risk arises from investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss (refer note 6(a) and 6(b)). To manage its price risk arising from investments in equity/preference shares, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(iii) Foreign currency risk

The Indian Rupee is the Group's most significant currency. As a consequence, the Group's results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. 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's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The carrying amounts of the Group's financial assets and liabilities denominated in United States Dollar (USD) are as follows:

	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Amount in USD millions	1	3	3	3	4	2
Total	**1**	**3**	**3**	**3**	**4**	**2**

(Amounts in INR Million, unless otherwise stated)

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in USD and exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on loss before tax
March 31, 2021	10% strengthening of USD against INR	20
	10% weakening of USD against INR	(16)
March 31, 2020	10% strengthening of USD against INR	6
	10% weakening of USD against INR	(5)
March 31, 2019	10% strengthening of USD against INR	(17)
	10% weakening of USD against INR	14

The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

b. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

All of the Group investments and loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(i) Trade receivables

The Group is exposed to credit risk in the event of non-payment by customers. Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date by grouping the receivables in homogeneous group. The calculation is based on lifetime expected credit losses.

(Amounts in INR Million, unless otherwise stated)

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2021

Ageing	0-1 year	1-2 year	2-3 year	>3 year	Specific	Total
Gross carrying amount- trade receivables	3,543	286	130	236	510	4,705
Expected credit losses (Loss allowance provision)- trade receivables	287	181	117	217	510	1,312
Carrying amount of trade receivables (net of impairment)	3,256	105	13	19	-	3,393

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2020

Ageing	0-1 year	1-2 year	2-3 year	>3 year	Specific	Total
Gross carrying amount- trade receivables	3,118	191	86	185	589	4,169
Expected credit losses (Loss allowance provision)- trade receivables	264	83	70	153	589	1,159
Carrying amount of trade receivables (net of impairment)	2,854	108	16	32	-	3,010

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2019

Ageing	0-1 year	1-2 year	2-3 year	>3 year	Specific	Total
Gross carrying amount- trade receivables	2,554	177	80	106	514	3,431
Expected credit losses (Loss allowance provision)- trade receivables	144	34	60	95	514	847
Carrying amount of trade receivables (net of impairment)	2,410	143	20	11	-	2,584

Reconciliation of loss allowance	**Loss allowance measured at 12 month expected loss**
Loss allowance as on April 1, 2018	**642**
Creation during the year#	205
Loss allowance as on March 31, 2019	**847**
Creation during the year#	312
Loss Allowance as on March 31, 2020	**1,159**
Creation during the year#	153
Loss Allowance as on March 31, 2021	**1,312**

The above total includes foreign currency adjustments as applicable for each year.

(Amounts in INR Million, unless otherwise stated)

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.

(ii) Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds is made only with banks of high repute.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2021, March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 6.

Reconciliation of loss allowance	**Loss allowance measured at 12 month expected loss**
Loss allowance as on April 1, 2018	**105**
Creation during the year#	104
Loss allowance as on March 31, 2019	**209**
Creation during the year#	23
Loss Allowance as on March 31, 2020	**232**
Creation during the year#	272
Loss Allowance as on March 31, 2021	**504**

The above total includes foreign currency adjustments as applicable for each year.

c. Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans etc. Group monitor their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Group also monitors compliance with its debt covenants. The maturity profile of the Group's financial liabilities based on contractual undiscounted payments is given in the table below:

(Amounts in INR Million, unless otherwise stated)

Particulars	0-180 days	181-365 days	1-2 Year	More than 2 year	Total
As at March 31, 2021					
Borrowings	5,449	-	-	-	5,449
Lease liabilities	136	139	201	520	996
Trade payables	6,052	-	-	-	6,052
Other financial liabilities	5,153	-	-	-	5,153
Total	**16,790**	**139**	**201**	**520**	**17,650**
As at March 31, 2020					
Borrowings	2,004	77	-	-	2,081
Lease liabilities	259	287	553	2,006	3,105
Trade payables	6,116	-	-	-	6,116
Other financial liabilities	2,339	-	-	-	2,339
Total	**10,718**	**364**	**553**	**2,006**	**13,641**
As at March 31, 2019					
Borrowings	6,956	-	-	-	6,956
Lease liabilities	243	222	450	2,425	3,340
Trade payables	7,360	-	-	-	7,360
Other financial liabilities	7,008	46	-	-	7,054
Total	**21,567**	**268**	**450**	**2,425**	**24,710**

33. Capital Management

The Group's objectives while managing capital is to safeguard its ability to continue as a going concern and to generate adequate returns for its shareholders and ensuring benefits for other stakeholders. The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Group's capital management objective is to remain majorly a debt-free Group till the time it achieves break-even. In order to meet this objective, Group meets anticipated funding requirements for developing new businesses, expanding its geographical base, entering in to strategic mergers and acquisitions and other strategic investments, by issuance of equity capital together with cash generated from Group's operating and investing activities. The Group utilizes certain working capital facilities in the form of short term bank overdraft and term loans to meet anticipated interim working capital requirements.

No material changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021, March 31, 2020 and March 31, 2019.

34. Segment Reporting

During the year ended March 31, 2021, the Group has reassessed the basis of segment reporting. This reassessment has been necessitated by the change in business strategy over the period, increased interdependency between various service lines, increased fungibility of resources/common cost, change in the way Board of Directors (Chief Operating Decision Maker "CODM") review the Group's performance etc.. Until the year ended March 31, 2020 the Group disclosed four reportable segments that were Payment, Commerce, Cloud and others.

In line with the above shift in business strategy and the consequent change in the way the CODM reviews the performance, management of the Group has aligned segment disclosure to the above change. Further, it has been concluded that though there are different business units/entities of the Group, including Payment and Financial services, Commerce and cloud services, information reviewed by the CODM is at the revenue level and the Group does not allocate operating costs and expenses, assets and liabilities across business units, as the CODM does not use such information to allocate resources or evaluate the performance of the business units.

CODM reviews results of Subsidiaries, Associates and Joint Ventures of the Group on consolidated basis and considering the nature of business operations of these entities, these are reviewed as either Payment and Financial Services or Commerce and Cloud Services.

The CODM reviews domestic and international subsidiaries and joint venture as part of commerce and cloud business. Associates in the banking and financial services business is reviewed as part of Payment and Financial Services business. These are reviewed as part of single segment.

Accordingly, it has been assessed that Group operates in a single operating as well as Reportable Segment. The segment reporting for years ended March 31, 2020 and March 31, 2019 has also been restated for this change in segment reporting.

The Group has revenues primarily from customers domiciled in India. Substantially all of the Group's non-current operating assets are domiciled in India.

Information about major customers

Revenues of INR 8,634 are derived from one external customer (March 31, 2020: INR 15,226 from two external customers; March 31, 2019: INR 19,202 from two external customers).

One97 Communications Limited
CIN: U72200DL2000PLC108985
Annexure V - Notes to the Restated Consolidated Financial Information
(Amounts in INR Million, unless otherwise stated)

35. Additional information
For the year ended March 31, 2021

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Restated Loss for the year		Share in Restated Other Comprehensive Income/(Loss) for the year		Share in Restated Total Comprehensive Income/ (Loss) for the year	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent								
One97 Communications Limited	107.19 %	69,845	91.72 %	(15,602)	51.21 %	(15)	91.65 %	(15,617)
		-				-		
Adjustment due to consolidation	(22.89)%	(14,916)	(2.76)%	470	38.92 %	(12)	(2.68)%	458
Subsidiaries								
Indian								
One97 Communications India Limited	1.27 %	826	(0.00)%	*	0.05 %	*	(0.00)%	*
Paytm Entertainment Limited	3.44 %	2,242	(0.08)%	14	0.00 %	*	(0.08)%	14
Paytm Money Limited	0.75 %	490	4.82 %	(819)	6.30 %	(2)	4.82 %	(821)
Wasteland Entertainment Private Limited	0.38 %	246	1.43 %	(243)	6.14 %	(2)	1.44 %	(245)
Urja Money Private Limited (Including step down subsidiary)	(0.02)%	(12)	0.22 %	(37)	(1.93)%	1	0.21 %	(36)
Mobiquest Mobile Technologies Private Limited (Including step down subsidiary)	0.11 %	69	(0.01)%	2	1.81 %	*	(0.01)%	2
Little Internet Private Limited (Including step down subsidiary)	(0.45)%	(290)	0.46 %	(78)	(2.95)%	1	0.46 %	(77)
Orbgen Technologies Private Limited	0.15 %	98	0.75 %	(127)	(5.99)%	2	0.74 %	(125)
Paytm Payments Services Limited (w.e.f October 10, 2020)	0.76 %	494	0.04 %	(6)	-	-	0.04 %	(6)
Paytm Insurance Broking private limited	0.63 %	412	1.88 %	(320)	2.21 %	(1)	1.88 %	(321)
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	0.04 %	26	0.09 %	(14)	(0.20)%	*	0.08 %	(15)
Foreign								
One97 Communications Singapore Private Limited (Including step down subsidiary)	2.14%	1,397	(2.82)%	480	-	-	(2.82)%	480
One97 Communications FZ-LLC	0.13%	82	(0.38)%	65	-	-	(0.38)%	65
One97 Communications Nigeria Limited	(0.21)%	(138)	0.03 %	(5)	-	-	0.03 %	(5)
One97 USA Inc.	0.01%	5	0.01 %	(2)	-	-	0.01 %	(2)
Non controlling interests in subsidiaries	(0.29)%	(186)	0.29 %	(49)	(1.72)%	*	0.29 %	(49)
Interest in Associate (Investments as per equity method)								
Indian								
Paytm Payments Bank Limited	7.40%	4,825	(0.55)%	94	5.90 %	(2)	(0.54)%	92
Paytm General Insurance Limited	(0.09)%	(60)	0.03 %	(5)	-	-	0.03%	(5)
Paytm Life Insurance Limited	0.00%	1	0.00%	*	-	-	0.00%	*
Infinity Transoft Private Limited	(0.10)%	(62)	0.06 %	(10)	-	-	0.06%	(10)
Eatgood Technologies Private Limited	0.12%	79	0.21 %	(35)	-	-	0.20%	(35)
Paytm Financials Services Limited	0.14%	91	0.00 %	(1)	-	-	0.00%	(1)
Paytm Insuretech Private Limited	0.03%	20	-	-	-	-	-	-
Interest in Joint Venture (Investments as per equity method)								
Paytm First Games Private Limited (Formerly known as Gamepind Entertainment Private Limited)	(0.65)%	(422)	4.59 %	(781)	0.26 %	*	4.59 %	(782)
	100.00%	**65,162**	**100.00%**	**(17,010)**	**100.00%**	**(30)**	**100.00%**	**(17,040)**

* Amount below rounding off norms adopted by the Group
# During the year ended March 31, 2021, the Group ceased to have significant influence over the entity.

(Amounts in INR Million, unless otherwise stated)

For the year ended March 31, 2020

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Restated Loss for the year		Share in Restated Other Comprehensive Income/(Loss) for the year		Share in Restated Total Comprehensive Income/ (Loss) for the year	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive	Amount
Parent								
One97 Communications Limited	103.96 %	84,115	96.29 %	(28,332)	51.78 %	(5)	96.28 %	(28,337)
Adjustment due to consolidation	(15.79)%	(12,779)	(9.33)%	2,744	69.99 %	(7)	(9.30)%	2,737
Subsidiaries								
Indian								
One97 Communications India Limited	1.02 %	826	(0.01)%	3	-	-	(0.01)%	3
Paytm Financial Services Limited	0.03 %	21	0.00%	*	-	-	0.00%	*
Paytm Entertainment Limited	1.74 %	1,406	0.01 %	(2)	-	-	0.01 %	(2)
Paytm Money Limited	0.40 %	321	3.14 %	(924)	3.91 %	*	3.14 %	(924)
Wasteland Entertainment Private Limited	0.31 %	255	1.02 %	(299)	(12.89)%	1	1.01 %	(298)
Urja Money Private Limited (Including step down subsidiaries)	0.05 %	42	0.17 %	(51)	(1.84)%	*	0.17 %	(51)
Mobiquest Mobile Technologies Private Limited (Including step down subsidiaries)	(0.03)%	(26)	0.03 %	(9)	(5.34)%	1	0.03 %	(8)
Little Internet Private Limited (Including step down subsidiaries)	(0.18)%	(149)	5.51 %	(1,621)	10.97 %	(1)	5.51 %	(1,622)
Orbgen Technologies Private Limited	0.17 %	139	0.96 %	(283)	(25.89)%	3	0.95 %	(280)
Paytm Insuretech Private Limited (Formerly known aQoRQL Private Limited)	(0.01)%	(5)	0.00 %	(1)	-	-	0.00 %	(1)
Paytm Insurance Broking private limited	0.02 %	14	0.15 %	(43)	(0.68)%	*	0.15 %	(43)
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	0.01 %	8	(0.02)%	7	3.49 %	*	(0.02)%	6
Foreign								
One97 Communications Singapore Private Limited (Including step down subsidiaries)	0.94%	759	(3.35)%	984	-	-	(3.34)%	984
One97 Communications FZ-LLC	0.02%	18	(0.06)%	17	-	-	(0.06)%	17
One97 Communications Nigeria Limited	(0.17)%	(138)	0.17 %	(51)	-	-	0.17 %	(51)
One97 USA Inc.	0.01%	8	0.01 %	(2)	-	-	0.01 %	(2)
Non controlling interests in subsidiaries	(0.17)%	(140)	3.41 %	(1,002)	1.30 %	*	3.40 %	(1,002)
Interest in Associate (Investments as per equity method)								
Indian								
Paytm Payments Bank Limited	5.50%	4,452	(0.05)%	13	5.19 %	*	(0.04)%	13
Paytm General Insurance Limited	0.00%	(1)	0.02 %	(5)	-	-	0.02%	(5)
Paytm Life Insurance Limited	0.00%	1	0.00%	*	-	-	0.00%	*
Infinity Transoft Private Limited	0.10%	81	0.01 %	(4)	-	-	0.01%	(4)
Eatgood Technologies Private Limited	0.13%	106	0.11 %	(33)	-	-	0.11%	(33)
Interest in Joint Venture (Investments as per equity method)								
Paytm First Games Private Limited (Formerly known as Gamepind Entertainment Private Limited)	1.95 %	1,579	1.81 %	(532)	-	-	1.81 %	(532)
	100.00%	**80,912**	**100.00%**	**(29,424)**	**100.00%**	**(9)**	**100.00%**	**(29,433)**

* Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

For the year ended March 31, 2019

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Restated Loss for the year		Share in Restated Other Comprehensive Income/(Loss) for the year		Share in Restated Total Comprehensive Income/ (Loss) for the year	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent								
One97 Communications Limited	103.64 %	60,229	93.90 %	(39,727)	3.04 %	(1)	93.80 %	(39,728)
Adjustment due to consolidation	(22.58)%	(13,121)	(0.27)%	116	123.92 %	(57)	(0.14)%	59
Subsidiaries								
Indian								
One97 Communications India Limited	1.42 %	823	0.01 %	(4)	-	-	0.01 %	(4)
Paytm Financial Services Limited	0.04 %	21	0.00 %	*	-	-	0.00 %	*
Paytm Entertainment Limited	1.04 %	603	0.02 %	(7)	-	-	0.02 %	(7)
Paytm Money Limited	0.66 %	383	0.88 %	(371)	(1.82)%	1	0.87 %	(370)
Wasteland Entertainment Private Limited	0.92 %	533	0.51 %	(216)	0.00 %	*	0.51 %	(216)
Urja Money Private Limited	0.07 %	41	0.09 %	(39)	-	-	0.09 %	(39)
Mobiquest Mobile Technologies Private Limited (Including step down subsidiaries)	(0.02)%	(10)	0.04 %	(15)	0.00 %	*	0.04 %	(15)
Little Internet Private Limited (Including step down subsidiaries)	4.23 %	2,459	1.68 %	(712)	(12.64)%	6	1.67 %	(706)
Orbgen Technologies Private Limited	0.44 %	257	0.17 %	(73)	0.00 %	*	0.17 %	(73)
Paytm Insuretech Private Limited (Formerly known aQoRQL Private Limited)	(0.01)%	(4)	0.04 %	(17)	-	-	0.04 %	(17)
Cube26 Software Private Limited	0.01 %	5	0.13 %	(53)	-	-	0.13 %	(53)
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	0.00 %	1	0.03 %	(13)	-	-	0.03 %	(13)
Foreign								
One97 Communications Singapore Private Limited (Including step down subsidiaries)	(0.69)%	(401)	1.97 %	(832)	-	-	1.97 %	(832)
One97 Communications FZ-LLC	0.00 %	*	(0.11)%	48	-	-	(0.11)%	48
One97 Communications Nigeria Limited	(0.14)%	(83)	0.05 %	(20)	-	-	0.05 %	(20)
One97 USA Inc.	0.02 %	9	0.06 %	(27)	-	-	0.06 %	(27)
Non controlling interests in subsidiaries	1.48 %	862	1.16 %	(492)	(7.46)%	3	1.15 %	(489)
Interest in Associate (Investments as per equity method)								
Indian								
Paytm Payments Bank Limited	7.36 %	4,278	(0.75)%	318	(5.05)%	2	(0.76)%	321
Loginext Solutions Private Limited	0.30 %	173	0.02 %	(10)	-	-	0.02 %	(10)
Socomo Technologies Private Limited	-	-	-	-	-	-	-	-
Paytm General Insurance Limited	0.00 %	1	0.00 %	*	-	-	0.00 %	*
Paytm Life Insurance Limited	0.00 %	1	0.00 %	*	-	-	0.00 %	*
Interest in Joint Venture (Investments as per equity method)								
Paytm First Games Private Limited (Formerly known as Gamepind Entertainment Private Limited)	1.81 %	1,051	0.39 %	(164)	0.00 %	*	0.39 %	(165)
	100.00%	**58,111**	**100.00%**	**(42,309)**	**100.00%**	**(46)**	**100.00%**	**(42,355)**

* Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

36. Impairment review of goodwill and other intangible assets arising on Consolidation

The Group monitors the business of the respective acquisitions independently and thus considers each acquisition as a separate Cash Generating Unit ('CGU').

Carrying amount of Goodwill (net of impairment):-

Cash Generating Unit	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Little Internet Private Limited	-	-	2,309
Orbgen Technologies Private Limited	164	164	318
Wasteland Entertainment Private Limited	202	202	202
Mobiquest Mobile Technologies Private Limited	68	68	68
Urja Money Private Limited	33	33	33
Total	**467**	**467**	**2,930**

The Group reviews the goodwill for any impairment at the CGU level. The recoverable amount of the above CGUs are based on value-in-use, which is determined based on five year business plans that have been approved by the management for internal purposes. The said planning horizon of five years reflects the assumptions for short to medium-term market developments. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- Earnings before interest and taxes margins ('EBIT')
- Discount rate
- Growth rates

EBIT margins: The margins have been estimated based on past experience after considering incremental revenue arising out of increase in payment business from the existing and new customers. Margins will be positively impacted from the efficiencies and initiatives driven by the company; whereas, factors like increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to the CGU estimated based on the weighted average cost of capital. Pre-tax discount rate used ranged from 20% to 25% (March 31, 2020 15% to 25% and March 31, 2019 14% to 15%) which in the opinion of management are consistent with companies in similar business.

Growth rates: The terminal growth rates used are in the opinion of management in line with the long-term average growth rates of the respective industry in which the entity operates and are consistent with the internal/external sources of information. The terminal growth rates used in extrapolating cash flows beyond the planning period, range from 1.5 to 2.5 times (March 31, 2020 - 1.28 to 2 times and March 31, 2019 -1.28 to 3.5 times) of revenue for the terminal year.

(Amounts in INR Million, unless otherwise stated)

Goodwill and Other Intangibles assets Impairment –

During the year ended March 31, 2021, no additional impairment is required based on above-mentioned analysis.

During the year ended March 31, 2020 and March 31, 2019, the goodwill and other intangible assets on consolidation impaired based on above mentioned analysis. Also deferred tax liability outstanding on intangible assets was reversed based on above mentioned analysis.

Below are the tables showing the value of goodwill and other intangibles impaired for the subsidiaries.

Impairment of Goodwill

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Little Internet Private Limited	-	2,309	510
Orbgen Technologies Private Limited	-	154	674
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)	-	-	15
Cube26 Software Private Limited	-	-	2
Total	-	**2,463**	**1,201**

Impairment of Intangible assets

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Little Internet Private Limited	-	348	-
Orbgen Technologies Private Limited	-	33	-
Total	-	**381**	-

Reversal of Deferred tax liability on Intangible assets

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Little Internet Private Limited	-	118	-
Orbgen Technologies Private Limited	-	11	-
Total	-	**129**	-

(Amounts in INR Million, unless otherwise stated)

37. Transactions with Non-controlling Interests

During the year ended March 31, 2021, the Group acquired additional 10.81% stake for INR 93 in Mobiquest Mobile Technologies Private Limited. As on March 31, 2021 the Group holds 65.71% (March 31, 2020- 54.90% and March 31, 2019 - 54.90%) in Mobiquest Mobile Technologies Private Limited. The Group had 54.90% stake in Mobiquest Mobile Technologies Private Limited immediately prior to purchase. The Group recognised a decrease in non-controlling interests of INR (3) and a decrease in equity attributable to owners of the parent of INR 3. The effect on the equity attributable to the owners of One97 Communications Limited during the year is summarised in the below table.

	31-Mar-21	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	(3)	-	-
Consideration paid to non-controlling interests	-	-	-
Excess of consideration paid recognised in retained earnings within equity	(3)	-	-

During the year ended March 31, 2021 , the Group % of holding in Wasteland Entertainment Private Limited diluted on account of exercise of ESOP by employees by 4.07% stake. The Holding Company purchased these shares for INR 63 and shareholding as on March 31, 2021: 100% (March 31, 2020: 100% and March 31, 2019: 100%).

	31-Mar-21	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	12	-	-
Consideration paid to non-controlling interests	63	-	-
Excess of consideration paid recognised in retained earnings within equity	(51)	-	-

During the year ended March 31, 2020, the Group acquired further 5.67% stake for INR 80 on October 22, 2019. As on March 31, 2020 the Group held 67.47% stake in Urja Money Private Limited. The Group had 61.80% stake in Urja Money Private Limited immediately prior to purchase.The Group recognised a decrease in non-controlling interests of INR Nil and a decrease in equity attributable to owners of the parent of INR 80. The effect on the equity attributable to the owners of One97 Communications Limited during the year is summarised in the below table.

	31-Mar-21	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	-	*	-
Consideration paid to non-controlling interests	-	80	-
Excess of consideration paid	-	(80)	-

The Group has sold 30% stake in One97 Communications Bangladesh Private Limited on December 20, 2018. Immediately prior to the sale, the carrying amount of the 30% stake in One97 Bangladesh Private Limited was INR 11. The Group recognised the non-controlling interests of INR 11 and a decrease in equity attributable to the owners of the parent by INR 1. The effect on the equity attributable to the owners of One97 Communications Limited during the year is summarised as follows:

	31-Mar-21	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests sold	-	-	11
Consideration received from non-controlling interests	-	-	1
Deficit of consideration received recognised in retained earnings within equity	-	-	(10)

During the year ended March 31, 2019, the Group held 70% stake in Wasteland Entertainment Private Limited on July 06, 2017. On September 19, 2018, the Group acquired remaining 30% stake for INR 381. Immediately prior to the purchase, the carrying amount of the existing 30% non-controlling interest was INR 15. The Group recognised a decrease in non-controlling interests of INR 15 and a decrease in equity attributable to owners of the parent of INR 366. The effect on the equity attributable to the owners of One97 Communications Limited during the previous year is summarised in the below table.

	31-Mar-21	31-Mar-20	31-Mar-19
Carrying amount of non-controlling interests acquired	-	-	15
Consideration paid to non-controlling interests	-	-	381
Excess of consideration paid recognised in retained earnings within equity	-	-	(366)
Excess of consideration paid	-	-	-

Non Controlling Interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Statement of Assest and Liabilities	**Little Internet Private Limited**			**Nearbuy Internet Private Limited**		
	31 March 2021	**31 March 2020**	**31 March 2019**	**31 March 2021**	**31 March 2020**	**31 March 2019**
Current assets	13	83	103	67	71	134
Current liabilities	46	80	48	214	212	212
Net current assets	**(33)**	**3**	**55**	**(147)**	**(141)**	**(78)**
Non-Current assets	2	7	2,755	13	108	23
Non-Current liabilities	97	39	*	28	87	6
Net non-current assets	**(95)**	**(32)**	**2,755**	**(15)**	**21**	**17**
Net assets	**(128)**	**(29)**	**2,810**	**(162)**	**(120)**	**(61)**
Accumulated NCI	**(164)**	**(117)**	**857**	#	#	#

Summarised Statement of Profit and Loss	**Little Internet Private Limited**			**Nearbuy Internet Private Limited**		
	31 March 2021	**31 March 2020**	**31 March 2019**	**31 March 2021**	**31 March 2020**	**31 March 2019**
Revenue	-	15	141	80	249	447
Loss for the year	(83)	(2,821)	(859)	(108)	(75)	(510)
Other comprehensive income / (loss)	*	*	*	1	(1)	1
Total comprehensive income	**(83)**	**(2,821)**	**(859)**	**(107)**	**(76)**	**(509)**
Loss allocated to NCI	(47)	(971)	(424)	#	#	#

Accumulated NCI and Profit allocated to NCI of Little Internet Private Limited includes accumulated NCI and profit allocated for Nearbuy Internet Private Limited.

Summarised Statement of Cash Flows	**Little Internet Private Limited**			**Nearbuy Internet Private Limited**		
	31 March 2021	**31 March 2020**	**31 March 2019**	**31 March 2021**	**31 March 2020**	**31 March 2019**
Net cash used in operating activities	(1)	(32)	(195)	(49)	17	(502)
Net cash flows/used in investing activities	10	(41)	186	(12)	10	56
Net cash flows from financing activities	-	70	*	54	*	443
Net increase/ (decrease) in cash and cash equivalents	**9**	**(3)**	**(9)**	**(7)**	**27**	**(3)**

* Amount below rounding off norms adopted by the Group

(Amounts in INR Million, unless otherwise stated)

38. Details of Transactions and outstanding balances of Paytm E-Commerce Private Limited (PEPL) with Holding Company

Details of transactions entered during the year

	March 31, 2021	March 31, 2020	March 31, 2019
Rendering of services to PEPL	1,344	3,921	9,925
Other operating revenue - Recovery of marketing expense	-	2,552	-
Reimbursement of expenses incurred on behalf of PEPL	314	1,141	1,449
Interest Income on unwinding of Discount	110	221	317
Services received from PEPL	242	500	253
Sale of Property, Plant & Equipment	-	2	-
Purchase of Property, Plant & Equipment	-	5	213

Details of outstanding balances

	March 31, 2021	March 31, 2020	March 31, 2019
Other Financial Assets	6,394	6,939	4,060
Trade payables	202	-	95
Other Financial Liability	58	71	432
Contract liabilities	5,206	6,225	3,391
Trade Receivable	77	193	18

*Other receivable from other parties given in Note 6 (d) of the Restated Consolidated Financial Information includes derivative assets of INR 56 (March 31, 2020: INR 209; March 31, 2019: Nil). The same is not included in the above reported balances.

39. Overdue outstanding foreign currency receivable and payable

As of March 31, 2021, the Holding Company has certain foreign currency payable balances aggregating to INR * and INR 2 which are outstanding for more than twelve months (extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years respectively. The Holding Company had applied to the Authorized Dealer seeking permission for extension of time period for settlement of the payables. Further, during the year ended March 31, 2021, the Holding Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 1 and INR 1 respectively and approval is currently awaited.

As of March 31, 2021, the Group also has certain foreign currency receivable balances aggregating to INR 91 and INR 207 which are outstanding for more than fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years respectively. The Group has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020, filed by the Holding Company. Further, an application has been made by Holding Company to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit of receivable balances amounting to INR 199 and write off of receivable balances amounting to INR 94 and approval is currently awaited.

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

*Amount below rounding off norms adopted by the Group. The actual amount is INR 35,172.

As of March 31, 2020, the Group has foreign currency payable balances aggregating to INR 1 and INR 1 which are outstanding for more than twelve months (extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years respectively. The Group has applied to authorised dealer for extension of the time for payment of these payable balances vide its letters dated March 18, 2019, May 14, 2019, August 1, 2019, August 21, 2019, November 25, 2019, and February 24, 2020. The Group also has foreign currency receivable balances aggregating to INR 261 and INR 8 which are outstanding for more than fifteen months (extended from nine months via RBI circular- RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years respectively, as of March 31, 2020. The Group has applied to authorised dealer for extension of time for realisation of receivable balances outstanding for more than nine months vide its letters dated March 28, 2019, May 14, 2019, August 1, 2019, August 8, 2019, August 21, 2019, November 25, 2019 and February 24, 2020 and also applied for permission to write-off receivable balances outstanding for more than three years vide its letter dated March 28, 2019.

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

As of March 31, 2019, the Holding Company has foreign currency payable balances aggregating to INR 26 and INR 1 which are outstanding for more than six months and three years respectively. The Holding Company has applied to authorised dealer for extension of the time for payment of these payable balances vide its letters dated March 18, 2019 and May 14, 2019. The Holding Company also has foreign currency receivable balances aggregating to INR 214 and INR 3 which are outstanding for more than nine months and three years respectively, as of March 31, 2019. The Holding Company has applied to authorised dealer for extension of time for realisation of receivable balances outstanding for more than nine months vide its letters dated March 28, 2019 and May 14, 2019 and also applied for permission to write-off receivable balances outstanding for more than three years vide its letters dated March 28, 2019.

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

40. Transfer pricing

The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961/applicable regulations. For this purpose, the Group has appointed independent consultants for conducting Transfer Pricing Study. Management is of the opinion that its international transactions with associated enterprises have been undertaken at arms' length basis at duly negotiated prices on usual commercial terms. The transfer pricing study of the Holding Company for the year ended March 31, 2020, March 31, 2019 and March 31, 2018 has been completed which did not result in any material adjustment.

41. Notes given by the subsidiaries in their respective standalone financial statements

a) Nearbuy India Private Limited:

During the year ended March 31, 2021, "The Company is primarily engaged in the business of developing local commerce marketplace that connects merchants to customers by offering services and goods of merchants. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the Company's operations have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize post lockdown. The Company is also strategizing to enhance its service offering verticals and other measures to scale up its business. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements."

During the year ended March 31, 2020, "The Company is primarily engaged in the business of developing local commerce marketplace that connects merchants to customers by offering services and goods of merchants. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the Company's operations have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize post lockdown. The Company is also strategizing to enhance its service offering verticals and other measures to scale up its business. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID-19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements."

b) Wasteland India Private Limited:

During the year ended March 31, 2021, "The Company is in the business of being a market place to sell tickets for live events through its portal www.insider.in and conduct partnership events. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the operations of the Company have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize in near future. The Company is strategizing to enhance/explore its service offering verticals other measures to scale up its business. Although, there is revival in the economic activities and businesses across several sectors, there is limited business activity in relation Company's regular operations on account of sector specific restrictions continued by the Government.

Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information. The impact of COVID 19 on the financial statements may differ from that estimated as at the date of approval of these financial statements."

During the year ended March 31, 2020, "The Company is in the business of being a market place to sell tickets for live events through its portal www.insider.in and conduct partnership events. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations.

Due to lockdown in India, the operations of the Company have also been impacted. The Company is expecting lower volumes of business and expects the operations to normalize post loackdown. The Company is strategizing to enhance/explore its service offering verticals other measures to scale up its business. Further, the Company has considered the possible effects that may result from COVID 19 on the carrying amount of its current assets on the basis of available information.

The impact of COVID 19 may impact the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. Further, due to higher level of uncertainty the pandemic may affect the Company's operations in future and consequently its financial results, which are dependent on the improvement in the overall economic environment and the measures taken by the Company to mitigate the impact of pandemic."

c) Paytm Entertainment Limited:

“The Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, Management has stated that this position is temporary in nature and arose on account of interest on short term loan amounting to INR 809 given to its Joint Venture Company, Paytm First Games Private Limited (PFG) on account of a commercial exigency and sudden business needs owing to the ongoing pandemic and this loan is due for repayment in the month of June, 2021 (“One Time Short-Term Loan”). The loan was a one-off loan and is not a part of the ordinary course of business of the Company. It is also not intended that this would be a systemic practice going forward. Out of the above said loan, INR 250 has already been repaid back by the borrower on May 25, 2021 and the Company expects PFG to pay the balance amount of loan along with interest on such loan by the end of June, 2021, such that the loan would be extinguished. Since the Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application dated May 26, 2021 with the RBI seeking dispensation from registration as NBFC.”

(Amounts in INR Million, unless otherwise stated)

42. Discontinued Operations

During the year ended March 31, 2019, on April 9, 2018, shareholders of the Holding Company approved the transfer of online gaming business (forming part of Cloud segment till March 31, 2020) on a going concern basis by way of slump sale, to Paytm First Games Private Limited (formerly known as Gamepind Entertainment Private Limited). Paytm First Games Private Limited, is an Indian Joint Venture company with 55% shares held by Paytm Entertainment Limited (wholly owned subsidiary of the Holding Company) and 45% shares held by AGTech Media Holdings Limited. The Holding Company had transferred its online gaming business on June 1, 2018 to Paytm First Games Private Limited on a going concern basis for a cash consideration of INR 339. The net liabilities of the business transferred were INR 83. The Group had recognised a gain of INR 422 which had been disclosed as exceptional gain in the Restated Consolidated Statement of Profit and Loss.

The results of Gaming business for the year are presented below:

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue	-	-	15
Expenses (Including INR 1 for share based payment expenses)	-	-	68
Restated Profit/(Loss) for the year before tax from discontinued operations	**-**	**-**	**(53)**
Income Tax expense	**-**	**-**	**-**
Restated Profit/(Loss) for the year after tax from discontinued operations	**-**	**-**	**(53)**

The net cash flows incurred by Gaming business are as follows :-

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Operating activities	-	-	(53)
Investing activities	-	-	339
Financing activities	-	-	-
Net cash inflow	**-**	**-**	**286**

Details of the gaming business sold:-

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Consideration Received			
Cash and cash equivalents	-	-	339
Carrying amount of the net liability transferred	-	-	83
Gain on sale before income tax	**-**	**-**	**422**
Income tax expense on gain	**-**	**-**	**-**
Gain on sale after income tax*	**-**	**-**	**422**

**The entire amount is attributable to owners of the parent company*

The carrying amount of restated assets and liabilities as at the date of sale (June 1, 2018) were as follows:-

	Carrying Amount
Property, plant and equipment	1
Total assets	**1**
Trade Payable	71
Other current liabilities	13
Total liabilities	**84**
Net assets/(Liabilities)	**(83)**

(Amounts in INR Million, unless otherwise stated)

43. Business combinations

(A) Summary of Acquisitions for the year ended March 31, 2019

a) Acquisition of Orbgen Technologies Private Limited

i. The Holding Company entered into a share swap agreement with existing shareholders of Orbgen Technologies Private Limited (‘Orbgen’) to acquire 100% equity interest in Orbgen on April 26, 2018. The transaction was consummated on June 9, 2018. The purchase consideration was discharged by way of issue of 116,001 equity shares of the Holding Company of the value of INR 1,225 and acquisition of 944,111 equity shares of Orbgen. The fair value of 116,001 equity shares issued as part of the consideration paid for Orbgen was based on acquisition date fair value of the Holding Company’s shares of INR 10,560 per share determined based on Price of Recent Investment method (‘PORI’). With this acquisition, the Holding Company enhanced the reach of its payments business segment towards usage for online movie ticket booking. The acquisition was accounted for in the books, using the acquisition method and accordingly, all the assets and liabilities were measured at their fair values as on the acquisition date and the purchase consideration has been allocated to the net assets.

ii. The following table summarizes the fair value of the consideration paid, the amount at which assets acquired and the liabilities assumed are recognised in Orbgen as of the date of acquisition, i.e. June 9, 2018. The acquisition was recorded on the basis of assets and liabilities as at June 1, 2018 for convenience purposes as the transactions between June 9, 2018 and June 1, 2018 were not material.

	As of June 1, 2018
Assets acquired	
Property, plant and equipment	30
Brand, Information and technology platform	52
Other intangible assets	*
Financial assets	
Cash and cash equivalents	7
Trade receivables	6
Loans	34
Other assets	191
Total Assets	**320**
Liabilities assumed	
Borrowings	31
Deferred Tax Liability	13
Financial liabilities	
Trade payables	27
Other liabilities	8
Other current liabilities	8
Total Liabilities	**87**
Net identifiable assets (A)	**233**
Goodwill arising on Acquisition (B)	**992**
Purchase Consideration (A+B)	**1,225**

* Amount below rounding off norms adopted by the Group

No significant receivables have been acquired as part of acquisition of Orbgen. No contingent liabilities were transferred to the Holding Company as part of acquisition of Orbgen.

(Amounts in INR Million, unless otherwise stated)

iii. The goodwill recognized on consolidation arising from the transaction consists largely of the synergies expected from the combined operation of the Holding Company and Orbgen. Part of the goodwill recognized in this transaction has been impaired (refer note 36).

iv. From the date of acquisition, Orbgen has contributed INR 192 of revenue and INR 727 (including impairment of goodwill INR 674) to the loss after tax. If the business combination had taken place at the beginning of the year ended March 31, 2019, revenue from Orbgen operations would have been INR 199 and the loss after tax from Orbgen operations would have been INR 748.

v. Analysis of cash flows on acquisition:

	As of June 1, 2018
Cash consideration paid	-
Net cash acquired with the subsidiary	7
Net cash inflow in respect of business combination (included in cash flows from investing activities)	7

vi. Subsequent to the above acquisition the Holding Company has purchased an additional 30,769 equity shares of Orbgen for a consideration of INR 40.

b) Paytm Services Private Limited (Formerly known as Balance Technology Private Limited)

i. The Holding Company entered into a share subscription agreement with shareholders of Paytm Services Private Limited to acquire 100% equity interest in Paytm Services Private Limited as on June 26, 2018 for INR 16. The transaction was consummated on July 26, 2018. The acquisition was accounted for in the books, using the acquisition method and accordingly, all the assets and liabilities were measured at their fair values as on the acquisition date and the purchase consideration has been allocated to the net assets.

ii. The following table summarizes the fair value of the consideration paid, the amount at which assets acquired and the liabilities assumed are recognised in Paytm Services Private Limited as of the date of acquisition, i.e. July 31, 2018. The acquisition was recorded on the basis of assets and liabilities as at July 31, 2018 for convenience purposes as the transactions between July 26, 2018 and July 31, 2018 were not material.

	As of July 31, 2018
Assets acquired	
Property, plant and equipment	*
Financial assets	
Cash and cash equivalents	1
GST Receivable	*
Liabilities assumed	
Financial liabilities	
Trade payables	*
Net identifiable assets (A)	**1**
Goodwill arising on Acquisition (B)	**15**
Purchase Consideration (A+B)	**16**

(Amounts in INR Million, unless otherwise stated)

No contingent liabilities were transferred to the Holding Company as part of acquisition of Paytm Services Private Limited.

iii. The goodwill recognized on consolidation arising from the transaction consists largely of the synergies expected from the combined operation of the Holding Company and Paytm Services Private Limited. The goodwill recognized in this transaction has been fully impaired (refer note 36).

iv. From the date of acquisition, Paytm Services Private Limited has contributed INR Nil of revenue and INR 26 (including impairment of Paytm Services Private Limited goodwill INR 15) to the loss after tax. If the business combination had taken place at the beginning of the year ended March 31, 2019, revenue from Balance Tech operations would have been INR * and the loss after tax from Balance Tech operations would have been INR 28.

* Amount below rounding off norms adopted by the Group

v. Analysis of cash flows on acquisition:

	As of July 31, 2018
Cash consideration paid	16
Net cash acquired with the subsidiary	1
Net cash outflow in respect of business combination (included in cash flows from investing activities)	(15)

c) Cube26 Software Private Limited

i. The Holding Company entered into a share purchase agreement with shareholders of Cube26 Software Private Limited ('Cube 26') to acquire 100% equity and preference interest in Cube 26 as on November 6, 2018 for INR 7 Million. The transaction was consummated on November 1, 2018. The acquisition was accounted for in the books, using the acquisition method and accordingly, all the assets and liabilities were measured at their fair values as on the acquisition date and the purchase consideration has been allocated to the net assets.

ii. The following table summarizes the fair value of the consideration paid, the amount at which assets acquired and the liabilities assumed are recognised in Cube26 Software Private Limited as of the date of acquisition, i.e. November 1, 2018. The acquisition was recorded on the basis of assets and liabilities as at October 31, 2018.

	As of October 31, 2018
Assets acquired	
Other non-current assets	*
Financial assets	
Cash and cash equivalents	*
Advance to vendors	1
TDS Receivables	4
Net identifiable assets (A)	**5**
Goodwill arising on Acquisition (B)	**2**
Purchase Consideration (A+B)	**7**

No contingent liabilities were transferred to the Holding Company as part of acquisition of Cube26 Software Private Limited.

(Amounts in INR Million, unless otherwise stated)

iii. The goodwill recognized on consolidation arising from the transaction consists largely of the synergies expected from the combined operation of the Holding Company and Cube 26. The goodwill recognized in this transaction has been fully impaired (refer note 36).

iv. From the date of acquisition, Cube 26 has contributed INR Nil of revenue and INR 2 (including impairment of cube 26 goodwill INR 2) to the loss after tax. If the business combination had taken place at the beginning of the year ended March 31, 2019, revenue from Cube 26 operations would have been INR * and the loss after tax from Cube 26 operations would have been INR 56.

v. Analysis of cash flows on acquisition:

	As of October 31, 2018
Cash consideration paid	7
Net cash acquired with the subsidiary	*
Net cash outflow in respect of business combination (included in cash flows from investing activities)	(7)

* Amount below rounding off norms adopted by the Group

44. Company Secretary

During the year ended March 31, 2019, Mr. Vimal Chawla, Company Secretary had resigned from the Holding Company with effect from May 8, 2019. The Holding Company was in the process of identifying the replacement and make the appointment at the earliest and in any event within the statutory timeline limit of 6 months from the date of resignation. This position was regularised during the year ended March 31, 2020.

45. Corporate Social Responsibilities (CSR) expenditure

The Holding Company has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per section 135 of the Act which was required to be spent on CSR activities in each of the respective financial years by the Holding Company. However, the Group has spent an amount of INR 4 (March 31, 2020: INR 8; March 31, 2019: INR 16) as CSR expenditure.

46. The Holding Company is in the process of making an application for the year ended March 31, 2021 to the MCA for condonation in respect of inadvertent delay and consequential inability to e-file certain board / EGM resolutions as required under the Companies Act, 2013. In the opinion of the management, no material impact is expected on the Restated Consolidated Financial Information on conclusion of the condonation process by the MCA.

47. Subsequent to the year ended March 31, 2021, the Board of directors of the Holding Company in its meeting held on May 28, 2021 have approved sub-division of existing authorised share capital of the Holding Company from INR 1,041 consisting of 104,106,600 equity shares of face value of INR 10 each to 1,041,066,000 equity shares of face value of INR 1 each and sub-division of existing issued, subscribed and paid up equity share capital of the Holding Company from INR 605 consisting of 60,491,485 (including 9,081 shares issued subsequent to the balance sheet date of March 31, 2021) equity shares of face value of INR 10 each to 604,914,850 equity shares of face value of INR 1 each. The above approval is subject to approval of the shareholders in general meeting as prescribed under Section 61 and other applicable sections of the Companies Act, 2013.

48. Subsequent to the year ended March 31, 2021, the Holding Company has filed an adjudication application under Section 454 read with Section 62(1)(b) and Section 450 of the Companies Act, 2013 before the office of the Registrar of Companies, NCT of Delhi & Haryana (ROC) on June 26, 2021, to adjudicate non-compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. The cumulative charge recognized in the Restated Consolidated Financial Information in respect of these options until March 31, 2021 amounted to INR 61. The matter is at present pending with the ROC for adjudication and the Company has assessed that consequent adjustments, if any, in respect of the aforesaid matter would not have a material impact on its Restated Consolidated Financial Information. On July 5, 2021, the Company has also cancelled the aforesaid ESOP grants. Further, the shares issued to the concerned employee pursuant to exercise of certain vested ESOPs have also been transferred by the employee to ESOP Trust.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

For and on behalf of Board of Directors of
One97 Communications Limited

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

(Amounts in INR Million, unless otherwise stated)

Summarized below are the restatement adjustments made to the Audited Consolidated Financial Statements for the years ended March 2021, 2020 and 2019 and their impact on equity and the loss of the Group, its joint ventures and associate companies:

Part A: Statement of Adjustments to Audited Consolidated Financial Statements

Reconciliation between audited equity and restated equity :

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total Equity as per Audited Consolidated Financial Statements	65,162	80,912	58,248
Adjustments			
Change in accounting policies			
- Ind AS 116- Leases (refer note below)	-	-	(137)
Total impact of adjustments	**-**	**-**	**(137)**
Total Equity as per Restated Consolidated Financial Information	65,162	80,912	58,111

Reconciliation between audited loss and restated loss :

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Loss after tax as per Audited Consolidated Financial Statements	(17,010)	(29,424)	(42,172)
Restatement adjustments			
Impact of Ind AS 116			
(Increase)/decrease in expenses			
Depreciation of right-of-use assets*	-	-	(121)
Interest and finance charges on lease liabilities #	-	-	(173)
Other expenses ##	-	-	157
Restated loss before tax	(17,010)	(29,424)	(42,309)
Tax adjustments	-	-	-
Loss after tax as per Restated Consolidated Financial Information	(17,010)	(29,424)	(42,309)

* The Group sub- let certain of its office premises for which it had charged/recovered lease rental from the sub lessees. Above depreciation charge is net of INR 187 (Gross depreciation INR 315) which is related to properties which have been sub-let during the year. Additionally, the Company had leasehold land which was accounted as 'finance lease' under Ind AS 17, Leases. INR 7 relates to depreciation on leasehold land which does not have an impact on the restated loss for the year ended March 31, 2019 due to transition to Ind AS 116 and therefore, does not form part of above reconciliation.

INR 44 relates to Interest and finance charges on lease liabilities relating to the leasehold land, referred above, which does not have an impact on the restated loss for the year ended March 31, 2019 due to transition to Ind AS 116 and therefore, does not form part of above reconciliation.

On account of reversal of rental expenses for which right of use assets have been recognised

Notes to adjustments:

Note 1 :

Ind AS 116 - Leases has been notified and effective for financial statements from April 1, 2019 which prescribes the accounting of the lease contracts entered in the capacity of the lessee and a lessor. The Group has applied Ind AS 116 for preparing the audited consolidated financial statements for the period beginning from April 1, 2019. For the purpose of preparing restated consolidated financial information, Ind AS 116 has been applied with effect from April 1, 2018. Effective April 1, 2018, the Group has recognised lease liability measured at an amount equal to present value of remaining lease payments, discounted using the lessee's incremental borrowing rate and corresponding Right of Use asset at an amount equivalent to lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before April 1, 2018.

Note 2 :

Audit qualifications - There are no audit qualifications in auditor's report for the financial years ended March 31, 2021; March 31, 2020 and March 31, 2019.

Note 3 :

During the year ended March 31, 2021, the Group has reassessed the basis of segment reporting on account of change in business strategy and the consequent change in the way CODM the reviews results of operations. The segment reporting for years ended March 31, 2020 and 2019 has also been restated for this change in segment reporting. Also refer Annexure V and Note 34 of Restated Consolidated Financial Information.

Note 4 :

Material regrouping/reclassification - Appropriate regrouping/reclassification have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Consolidated Financial Statements for the year ended March 31, 2021 prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

Part B: Reconciliation of Retained Earning as per Audited Consolidated Financial Statements with Retained Earnings as per Restated Consolidated Financial Information as at March 31, 2019

The Group has followed the same accounting policy choices (transition options as per Ind AS 116) as adopted on April 1, 2019 for transition to Ind AS 116, while preparing the Restated Consolidated Financial Information for each of the year ended March 31, 2021, March 31, 2020 and March 31, 2019. As specified in the Guidance Note, the Retained Earning computed under Restated Consolidated Financial Information for the year ended March 31, 2019 and Retained Earning computed on transition (using modified retrospective approach) to Ind AS 116 on April 1, 2019, differs due to restatement adjustments made for the year ended March 31, 2019. Accordingly, the closing Retained Earning as at March 31, 2019 of the Restated Consolidated Financial Information has not been carried forward to Restated Consolidated Statement of Assets and Liabilities as at April 1, 2019. The reconciliation of the same is as follows:

	Amount
Other equity	
Retained earnings	
Balance as at March 31, 2019 as per Restated Consolidated Financial Information	(84,015)
Add: Adjustment on account of transition to Ind AS 116	137
Balance as at April 1, 2019 as per Audited Consolidated Financial Statements for the year ended March 31, 2020	(83,878)

Part C: Non adjusting items

a) Emphasis of matter not requiring adjustments to Restated Consolidated Financial Information as given in the Independent Auditor's Examination Report on Restated Consolidated Financial Information

"We draw your attention to Note 48 to the Restated Consolidated Financial Information in Annexure V which describes the application made by the Company under section 454 of the Companies Act, 2013 to adjudicate non compliance with the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Share Capital and Debentures) Rules, 2014 in relation to grants of Employee Stock Options (ESOPs) made in earlier years to an employee. As stated in the aforesaid Note, the Company has taken steps for cancellation of ESOP grants and shares allotted in the past have been transferred to the One97 Employee Welfare Trust and the Company is awaiting the outcome of the adjudication application.

Our opinion is not modified in respect of this matter."

b) Emphasis of matters not requiring adjustments to Restated Consolidated Financial Information are reproduced below in respect of the Audited Consolidated Financial Statements

1. Emphasis of Matters for the year ended March 31, 2021

"We draw your attention to the following matters:
a) Note 2.1 to the Consolidated Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. The management believes that no adjustments are required in the Consolidated Financial Statements as it does not impact the current financial year, however, in view of the various preventive measures taken and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

b) Note 39 to the Consolidated Financial Statements relating to:

i. non-settlement of foreign currency payables as at March 31, 2021 amounting to INR Nil (rounded off) and INR 2 MN, due for more than twelve months (time period extended from six months via RBI circular -RBI/2019-20/242 A.P. (DIR Series) Circular No.33 dated May 22, 2020) and three years, respectively, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016- 17 dated January 1, 2016 (as amended), issued by RBI. The Holding Company had applied to the Authorised Dealer (AD) seeking permission for extension of time period for settlement of the payables. Further, during this year, the Holding Company has approached AD via letter dated March 25, 2021 and Reserve Bank of India via letter dated April 22, 2021, for permission to write-back payable balances amounting to INR 1 MN and INR 1 MN, respectively and approval is currently awaited.

ii. non-realisation of foreign currency receivables as at March 31, 2021 amounting to INR 91 MN and INR 207 MN, due for more than fifteen months (time period extended from nine months via RBI circular RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 1, 2020) and three years, respectively, from the date of exports, and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), issued by the RBI. The Group has applied to the Authorised Dealer seeking permission for extension of time period for realisation and write-off of certain receivables, including updated application dated December 8, 2020 filed by the Holding Company. Further, the Holding Company has made an application to the RBI vide the letter dated December 17, 2020 for seeking approval for extension of time-limit and write off receivable balances and approval is currently awaited.

c) Note 41(c) to the Consolidated Financial Statements, which indicates that one of the Subsidiary Company's financial assets as at March 31, 2021 were more than 50% of its total assets and its income from financial assets was more than 50% of the total income for the year. As per the press release dated April 8, 1999 issued by Reserve Bank of India (RBI) the Subsidiary Company fulfils the principal business criteria for being classified as a Non-Banking Financial Company (NBFC) as at March 31, 2021 and accordingly is required to obtain registration as such. However, the Subsidiary Company's Management has stated that this position is temporary in nature and the Subsidiary Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application with the RBI seeking dispensation from registration as NBFC.
Our opinion is not modified in respect of the above matters."

d) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 21, 2021 issued by an independent firm of chartered accountants on the audit of the standalone financial statements for the year ended March 31, 2021 of Nearbuy India Private Limited which has been reported as under:

"We draw attention to Note 1(a) of the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter.

Note 1(a) referred above corresponds to Note 41(a) to the Consolidated Financial Statements."

e) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 18, 2021 issued by an independent firm of chartered accountants on the audit of the standalone financial statements for the year ended March 31, 2021 of Wasteland Entertainment Private Limited which has been reported as under:

"We draw attention to Note 2.1 to the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2021 and the operations of the Company. Our opinion is not modified in respect of this matter.

Note 2.1 referred above corresponds to Note 41(b) to the Consolidated Financial Statements."

2. Emphasis of Matters for the year ended March 31, 2020

" We draw your attention to the following matters -
a) Note 2.1 to the Consolidated Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group, The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

b) Note 40 to the Consolidated Financial Statements regarding the non-settlement of foreign currency payables as at March 31, 2020 amounting to Rs 1 MN and Rs 1 MN by the group, due for more than twelve months (time period extended from six months via RBI circular - RBI/2019-20/242 A.P. (DIR Series) Circular N0.33 dated May 22,2020) and three years, respectively from the date of imports and non realisation of foreign currency receivables as at March 31, 2020 amounting to Rs 261 MN and Rs 8 MN by the group, due for more than fifteen months (time period extended from nine months via RBI circular - RBI/2019-20/206 A. P. (DIR Series) Circular No. 27 dated April 01, 2020) and three years, respectively from the date of exports, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1,2016 (as amended) and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), respectively, issued by the Reserve Bank of India. The Group has applied to the Authorised Dealer seeking permission for extension of time period for settlement of the payables and realisation of the receivables and for write-off of certain receivables outstanding for a period exceeding three years.
Our opinion is not modified in respect of the above matters."

c) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 20, 2020 issued by an independent firm of chartered accountants on the audit of the standalone financial statements of Wasteland Entertainment Private Limited which has been reproduced as under:

"We draw attention to Note 2 to the accompanying financial statements, which describes the management evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2020 and the operations of the Company.

Our opinion is not modified in respect of this matter. "

d) The following emphasis of matter paragraph has been included in the independent auditor's report dated May 21, 2020 issued by an independent firm of chartered accountants on the audit of the standalone financial statements of Nearbuy India Private limited which has been reproduced as under:

"We draw attention to Note 1(a) of the accompanying financial statements, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31,2020 and the operations of the Company.

Our opinion is not modified in respect of this matter."

(Amounts in INR Million, unless otherwise stated)

3. Emphasis of Matters for the year ended March 31, 2019

"We draw your attention to Note 40 to the Consolidated Financial Statements regarding the non settlement of foreign currency payables as at March 31,2019 amounting to Rs 26 MN and Rs 1 MN by the Holding Company, due for more than six months and three years, respectively from the date of imports and non realisation of foreign currency receivables as at March 31,2019 amounting to Rs 214 MN and Rs 3 MN by the Holding Company, due for more than nine months and three years, respectively from the date of exports, being the time period permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) and RBI Master Direction on Export of goods and Services vide FED Master Direction No. 16/2015-16 dated January 1, 2016 (as amended), respectively, issued by the Reserve Bank of India. The Holding Company has applied to the Authorised Dealer seeking permission for extension of time period for settlement of the payables and realisation of the receivables and for write-off of certain receivables outstanding for a period exceeding three years.

Our opinion is not modified in respect of this matter."

c) Auditor's Comments in Annexure to Auditors' Report:

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented. The information presented below is for the Holding Company, its subsidiaries, associates and joint ventures whose audited financial statements are forming part of consolidated financial statements for each of the respective years.

i) One97 Communications Limited (Holding Company)

<u>Financial Year 2020-21</u>

Clause i(b) of CARO 2016 Order
The fixed assets of the Company, have been physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and nomaterial discrepancies have been noticed on such verification. According to the information and explanations given to us, the existence of point of sale machines and sound boxes lying with customers is considered on the basis of the 'active user status' of the customers which is tracked from payment gateway panel.

Clause vii(a) of CARO 2016 Order
According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of professional tax and labour welfare fund, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs , duty of excise , value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 28(d)(ii) to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2021, for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the Dues	Amount* (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Professional tax	Professional tax	407,514	Various Dates	Various Dates	Not yet paid
Labour Welfare Fund Act	Labour Welfare Fund	3,081	Various Dates	Various Dates	Not yet paid

*Amount in absolute figure

Clause vii(b) of CARO 2016 Order
According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows-

Name of the Statute	Nature of the Dues	Amount* (Rs.)	Period to which the amount relates	Forum where the dispute is pending
IncomeTax Act,1961	Non-deduction of tax deducted at source	3,618,940	AY 2013-14	Commissioner of Income-tax (Appeals)
IncomeTax Act,1961	Non-deduction of tax deducted at source	12,500,098	AY 2014-15	Commissioner of Income-tax (Appeals)

*Amount in absolute figure

Financial Year 2019-20

Clause i(b) of CARO 2016 Order

The fixed assets of the Company, have been physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. According to the information and explanations given to us, the existence of point of sale machines lying with customers is considered on the basis of the 'active user status' of the customers which is tracked from payment gateway panel.

Clause vii(a) of CARO 2016 Order

According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax, though there has been slight delays in a few cases and is regular in depositing undisputed statutory dues, including provident fund, income tax, goods and service tax, employees' state insurance, sales tax, service tax, duty of customs , duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 28(c)(iii) to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

Financial Year 2018-19

Clause vii(a) of CARO 2016 Order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of professional tax, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, income tax and goods and service tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs , duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 28(c)(iii) to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund. The extent of the arrears of statutory dues outstanding as at March 31, 2019, for a period of more than six months from the date they became payable are as follows:

Name of the Statute	Nature of the Dues	Amount* (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Kerala Municipal Act, 1994	Professional tax	208	April-18	31-08-2018	Not yet paid
		208	May-18		Not yet paid
Tamil Nadu Municipal Laws Second Amendment Act 59 of 1998		5,182	April-18	30-09-2018	Not yet paid
		6,269	May-18		Not yet paid
		8,190	June-18		Not yet paid
		7,523	July-18		Not yet paid
		37,588	August-18		Not yet paid
The Andhra Pradesh Tax on Professions, Trades, Callings and Employments Rules, 1957		1,103	August-18	10-09-2018	Not yet paid

*Amount in absolute figure

ii) Mobiquest Mobile Technologies Private Limited (Subsidiary)

Financial Year 2020-21

Clause iii of CARO 2016 Order

"The Company has granted unsecured loan to 1 subsidiary covered in the register maintained under Section 189 of the Act.

a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

b) In respect of aforesaid loans, no schedule of repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of the principal and payment of interest.

c) In respect of the aforesaid loans, since there is no schedule for repayment of principal and payment of interest, therefore we are unable to comment whether there is any amount overdue for more than 90 days. The aforesaid loan has been fully impaired in the books of accounts of the Company in the previous years.

Clause vii(a) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of provident fund the Company is generally regular in depositing undisputed statutory dues in respect of income tax though there has been a slight delay in a few cases and is regular in depositing undisputed dues, including employee state insurance, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 10(b)(ii) to the financial statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2021, for a period of more than six months from the date they became payable are as follows:

Nature of the statute	Nature of dues	Amount (Rs.)*	Period to which the amount relates	Due Date	Date of Payment
Employee Provident Fund Act, 1952	Provident Fund	4,930	September-19	15-Oct-19	Not yet paid
Employee Provident Fund Act, 1952		3,150	October-19	15-Nov-19	Not yet paid
Employee Provident Fund Act, 1952		5,802	March-20	15-Apr-20	Not yet paid

*Amount in absolute figure

Clause vii(b) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs, duty of excise duty, value added tax and goods and services tax which have not been deposited on account of a dispute. The particulars of dues of income tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR 000's)	Amount Paid under Protest (INR 000's)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	7,097.98	5,295.10	AY 2018-19	Deputy Commissioner of Income Tax

iii) Orbgen Technologies Private Limited (Subsidiary)

Financial Year 2020-21

Clause vii(a) of CARO 2016 order
According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of provident fund the Company is generally regular in depositing undisputed statutory dues, in respect of income tax though there has been a slight delay in a few cases and is regular in depositing undisputed dues, including employee state insurance, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 5.9 (b) to the financial statements regarding management's assessment on certain matters relating to provident fund.

The extent of the arrears of statutory dues outstanding as at March 31, 2021, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs.)*	Period to which the amount relates	Due date	Date of Payment
The Employee's Provident Funds and Miscellaneous Provisions Act,1956	Provident Fund	3,600	April-18	15-May-18	Not yet paid

*Amount in absolute figure

iv) Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) (Subsidiary)

Financial Year 2020-21

Clause vii(a) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of provident fund the Company is generally regular in depositing undisputed statutory dues, in respect of income tax though there has been a slight delay in a few cases and is regular in depositing undisputed dues, including employee state insurance, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
The extent of the arrears of statutory dues outstanding as at March 31, 2021, for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of dues	Amount (Rs. in thousands)	Period to which the amount relates	Due date	Date of Payment
The Employee's Provident Funds and Miscellaneous Provisions Act,1956	Provident Fund*	624.25	September-19	15-Oct-19	Not yet paid
		148.04	October-19	15-Nov-19	Not yet paid
		123.80	November-19	15-Dec-19	Not yet paid
		42.62	December-19	15-Jan-20	Not yet paid
		38.05	January-20	15-Feb-20	Not yet paid
		70.38	February-20	15-Mar-20	Not yet paid
		10.54	March-20	15-Apr-20	Not yet paid
		17.50	April-20	15-May-20	Not yet paid
		7.19	May-20	15-Jun-20	Not yet paid
		37.97	June-20	15-Jul-20	Not yet paid
		28.92	July-20	15-Aug-20	Not yet paid
		248.28	August-20	15-Sep-20	Not yet paid

*Also refer note 15 to the financial statements.

v) Paytm Entertainment Limited (Subsidiary)

Financial Year 2020-21

Clause vii(a) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues in respect of provident fund and income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

Clause xvi of CARO 2016 order

The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act,1934. However, Management has stated that this position is temporary in nature and the Company has no intention of conducting the business as an NBFC, and accordingly it has filed an application with the RBI seeking dispensation from registration as NBFC. Also refer to note 33 to the financial statements and paragraph 4 of our main audit report.

vi) Paytm First Games Private Limited (Joint venture)

Financial Year 2019-20

Clause vii(a) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

Financial Year 2018-19

Clause vii(a) of CARO 2016 order

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including income goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

vii) Paytm Insuretech Private Limited (Associate)

Financial year 2020-21

Clause xiv of CARO 2016 Order

The Company has made a preferential allotment/ private placement of shares/ fully or partly convertible debentures during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised except as described below:

Nature of securities viz. Equity share / Preference shares / Convertible Debenture	Purpose for which funds raised	Total Amount Raised (Amount in INR thousands)	Amount utilized for the other purpose (Amount in INR thousands)	Un-utilized balance as at Balance Sheet date (Amount in INR thousands)
Equity Shares	General Corporate purpose and future growth of the Company business.	26,575.07	Nil	18,454.28

viii) Wasteland Entertainment Private Limited (Subsidiary)

Financial Year 2020-21

Clause vii(a) of CARO 2016 order

Undisputed statutory dues including provident fund, profession tax, income tax, goods and service tax, cess and other material statutory dues as applicable have generally been regularly deposited with the appropriate authorities, though there have been slight delays in remittance of goods and service tax and tax deducted at source and serious delays in case of tax collected at source (‘TCS’) with respect to goods and service tax. The provisions relating to employee’s state insurance, sales tax, value added tax and duty of excise are not applicable to the Company.

Financial Year 2019-20

Clause vii(a) of CARO 2016 order

Undisputed statutory dues including provident fund, profession tax, employee's state insurance, value added tax, goods and service tax, cess and other material statutory dues as applicable have generally been regularly deposited with the appropriate authorities, though there has been some delays i few cases with respect to tax collected at source with respect to GST. The provisions relating to sales tax, value added tax and duty of excise are not applicable to the Company.

Clause vii(b) of CARO 2016 order

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, profession tax, employee’s state insurance, income tax, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except as mentioned below:

Name of Statute	Nature of Dues	Amount (in' 000)	Period
IGST Act, CGST Act and SGST Act	TCS	Rs. 1,300	April 2019 to August 2019

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/ N500016

For and on behalf of Board of Directors of
One97 Communications Limited

Amitesh Dutta
Partner
Membership No: 058507
Place: Gurugram
Date: July 14, 2021

Vijay Shekhar Sharma
Chairman and Managing Director
DIN No. 00466521
Place: New Delhi
Date: July 14, 2021

Madhur Deora
Group Chief Financial Officer
Place: Mumbai
Date: July 14, 2021

Vikas Garg
Chief Financial Officer
Place: Noida
Date: July 14, 2021

Amit Khera
Company Secretary
Place: Noida
Date: July 14, 2021

OTHER FINANCIAL INFORMATION

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	**Financial Year**		
	2021	**2020**	**2019**
Restated loss attributable to equity shareholders of the Parent (in ₹ million) (A)	**(16,961)**	**(28,422)**	**(41,816)**
Weighted average number of equity shares in calculating basic EPS (B)	60,209,837	58,225,828	56,087,996
Weighted average number of equity shares in calculating diluted EPS (C)	60,209,837	58,225,828	56,087,996
Basic earnings per share (₹ per share) (D=A/B)	**(282)**	**(488)**	**(746)**
Diluted earnings per share (₹ per share) (E=A/C)	**(282)**	**(488)**	**(746)**
Weighted average number of equity shares in calculating basic EPS - post sub-division of shares (F)	602,098,370	582,258,280	560,879,960
Weighted average number of equity shares in calculating diluted EPS - post sub-division of shares (G)	602,098,370	582,258,280	560,879,960
Basic earnings per share - post sub-division of shares (₹ per share) (H=A/F)	**(28)**	**(49)**	**(75)**
Diluted earnings per share - post sub-division of shares (₹ per share) (I=A/G)	**(28)**	**(49)**	**(75)**
Net worth (₹ million) (A)	65,348	81,052	57,249
Restated loss attributable to equity shareholders of the Parent (₹ million) (B)	(16,961)	(28,422)	(41,816)
Return on net worth (%) (C=B/A)	**(26.0%)**	**(35.1%)**	**(73.0%)**
Net worth (₹ million) (A)	65,348	81,052	57,249
Number of equity shares outstanding at the end of the year (B)	60,260,013	60,187,655	57,256,129
Restated Net asset value per share (₹) (C=A/B)	**1,084**	**1,347**	**1,000**
Number of equity shares outstanding at the end of the year - post sub-division of shares (D)	602,600,130	601,876,550	572,561,290
Restated Net asset value per share - post sub-division of shares (INR) (E=A/D)	**108**	**135**	**100**
Restated Loss for the year (₹ million) (A)	(17,010)	(29,424)	(42,309)
Restated Loss for the year from discontinued operation (₹ million) (B)	-	-	(53)
Restated loss for the year from continuing operations (₹ million) (C=A-B)	**(17,010)**	**(29,424)**	**(42,256)**
Income Tax expense (₹ million) (D)	27	(158)	(65)
Exceptional items (₹ million) (E)	(281)	(3,047)	(825)
Share of restated profit / (loss) of associates / joint ventures (₹ million) (F)	(740)	(560)	146
Restated loss before share of profit/(loss) of associates/joint ventures, exceptional items and tax (₹ million) (G=C+D-E-F))	**(15,962)**	**(25,975)**	**(41,642)**
Finance costs (₹ million) (H)	348	485	342
Depreciation and amortization expense (₹ million) (I)	1,785	1,745	1,116
Other income (₹ million) (J)	3,844	2,599	3,477
EBITDA (₹ million) (K=G+H+I-J)	**(17,673)**	**(26,344)**	**(43,661)**
Share based payment expense (₹ million) (L)	1,125	1,661	1,546
Adjusted EBITDA (₹ million) (M=K+L)	**(16,548)**	**(24,683)**	**(42,115)**

Notes:

The ratios have been computed as under:

a) *Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. Basic and diluted earnings per equity share is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period excluding the treasury shares. In view of* *losses during the year ended March 31, 2021, March 31, 2020 and March 31, 2019, the options which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share.*

b) *Return on net worth ratio: Restated loss for the year attributable to equity shareholders of the Company divided by net worth.*

c) *Net asset value per equity share: Net worth for equity holders of our Company divided by number of equity shares outstanding at the end of the year, net of treasury shares.*

d) *Subsequent to the year ended March 31, 2021, shareholders of our Company in the meeting held on June 30, 2021 have approved sub-division of existing authorised share capital of our Company from ₹ 1,041 consisting of 104,106,600 equity shares of face value of ₹10 each to 1,041,066,000 equity shares of face value of ₹1 each and sub-division of existing issued, subscribed and paid up equity share capital of our Company from ₹605,385,270 consisting of 60,538,527* (including 56,123 shares issued subsequent to the balance sheet date of March 31, 2021) equity shares of face value of ₹10 each to 605,385,270* equity shares including treasury shares) of face value of ₹1 each.*

**Including treasury shares*

e) *"Net worth" means the aggregate value of the share capital, securities premium, employee stock options outstanding account, retained earnings, share application money pending allotment, other reserves- FVTOCI and other reserves- FCTR, as per the Restated Financial Statements. Net worth represents equity attributable to owners of the Company and does not include amount attributable to non-controlling interests.*

f) *Net worth is derived as below:*

Particulars	**As at March 31, 2021**	**As at March 31, 2020**	**As at March 31, 2019**
Share capital (₹ million) (A)	605	604	575
Other equity			
1. Share application money pending allotment (₹ million) (B)	2	*	-
2. Reserves and Surplus			
Securities Premium (₹ million) (C)	189,252	188,953	138,223
Retained Earnings (₹ million) (D)	(128,717)	(112,012)	(84,015)
Employee stock options outstanding account (ESOP Reserve) (₹ million) (E)	4,264	3,552	2,501
3. Other reserves			
FVTOCI (₹ million) (F)	(33)	20	23
FCTR (₹ million) (G)	(25)	(65)	(58)
Net worth (₹ million) (H= A+B+C+D+E+F+G)	**65,348**	**81,052**	**57,249**

**Amount below rounding off norms adopted by the Group*

In accordance with the SEBI ICDR Regulations, the standalone audited financial statements of our Company as at and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 (collectively, the "**Audited Financial Statements**") are available at https://paytm.com/financials. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any of the JGC-BRLMs or the BRLMs or Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2021, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Restated Financial Statements***" and "***Risk Factors***" on pages 383, 48 and 35, respectively.

(in ₹ million, except ratios)

Particulars	Pre-Offer as at March 31, 2021	As adjusted for the proposed Offer#
Borrowings		
Total current borrowings (**I**)*	5,449	[●]
Non-current borrowings (including current maturity of long term debt) (**II**)*	-	[●]
Total Borrowings (I) + (II) = (A)*	**5,449**	**[●]**
Equity		
Equity Share Capital*	605	[●]
Other equity*	64,743	[●]
Total Equity (B)	**65,348**	[●]
Capitalisation (A) + (B)	**70,797**	[●]
Non-current borrowings (including current maturity of long term debt) /equity ratio	-	[●]
Total borrowings/equity ratio	**0.08**	[●]

These terms shall carry the meaning as per Schedule III of the Companies Act.

#*The corresponding post Offer capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement*

FINANCIAL INDEBTEDNESS

Pursuant to our Articles of Association, our Board may from time to time, at its discretion, raise or borrow funds or any sums of money for and on behalf of the Company from the Shareholders or from other persons, companies or banks, subject to applicable provisions of the Companies Act, 2013. Our Company and Subsidiaries avail loans in the ordinary course of business for the purposes of meeting working capital and other business requirements.

The details of aggregate indebtedness of our Company and the Subsidiaries as on June 30, 2021 is set forth below:

(in ₹ Million unless otherwise stated)

Category of borrowing	Sanctioned amount	Outstanding amount as on June 30, 2021
Secured Loans		
Working capital facilities		
- Bank overdraft and working capital demand loan	9,500	4,757
- Overdraft facilities against fixed deposits	5,000	-
Cash credit hypothecation(1)	10	3
Total secured loans (A)	**14,510**	**4,760**
Unsecured loans		
External commercial borrowing ('ECB')(2)	657	657
Inter Corporate loans (USD denominated)(3)	668	15
Total unsecured loans (B)	**1,325**	**672**
Total indebtedness (on a consolidated basis) (A+B)	**15,835**	**5,432**

(1) Pertains to a fund-based facility availed by our Subsidiary, Mobiquest Mobile Technologies Private Limited.
(2) Pertains to an external commercial borrowing availed by our Subsidiary, Paytm First Games Private Limited
(3) Pertains to an inter-corporate loan availed by our Subsidiary, Paytm First Games Singapore Pte. Ltd.

Details of inter-corporate loans

Category of borrowing	Sanctioned amount	Outstanding amount as on June 30, 2021
Inter-corporate loans given by our Company to its Subsidiaries		
Inter Corporate loans(1)	898	898

(1) Pertains to inter corporate loans availed by each of our Subsidiaries, Paytm First Games Private Limited, Urja Money Private Limited and Little Internet Private Limited, from our Company

We have also provided bank guarantees to our customers/merchants, vendors and certain government authorities in the ordinary course of business. The summary of the bank guarantees are set forth in the table below:

Category of Bank Guarantee	Sanctioned amount	Outstanding bank guarantees as on June 30, 2021
Bank guarantees against fixed deposits(1)	3,004	2,822
Other bank guarantees(2)	4,500	954
Total bank guarantees availed	**7,504**	**3,776**

(1) It also includes bank guarantee of ₹4 million given by one of the Subsidiaries.
(2) Other bank guarantees are part of non fund based working capital facility.

For details in relation to the outstanding indebtedness for the last three Financial Years, see "***Restated Financial Statements***" on page 256.

Principal terms of the borrowings availed of by our Company and our Subsidiaries

Set out below are the principal terms of the borrowings availed of by our Company and our Subsidiaries, which are indicative and there may be additional terms under the various borrowing arrangements entered into by the Company and the Subsidiaries:

Interest: In terms of the working capital facilities availed by our Company, the interest rate is tied to MCLR and spread, with varying reset options. Further, for the overdraft fund based facility against fixed deposits availed by our Company, the interest rate is typically attached to the fixed deposit rate and the spread per annum. Commission payable for the bank guarantee facilities availed by us typically ranges between 0.15% to 0.85%. In terms of the cash credit hypothecation availed by our Subsidiary, the interest rate is currently 9.05% per annum which is linked to the Baroda repo lending rate.

Tenor: The tenor of the working capital demand loan typically ranges from seven days to 365 days. A certain portion of the bank guarantees forming part of the working capital facilities can be sanctioned for a period of up to four years, and the bank guarantee facilities availed by us against fixed deposits can be availed for a tenor as per our request. Bank overdraft and cash credit hypothecation facilities are normally repayable on demand.

Security: The working capital facilities availed by our Company are typically secured by way of:

i. Exclusive charge by way of hypothecation on the entire current assets of the Company, together with cash in hand, bank accounts and receivables excluding the mutual funds, fixed deposits and bonds subscribed to by the Company, that are not exclusively charged with the lender; and
ii. Exclusive charge over the fixed deposits or mutual funds of the Company for an amount equivalent to 20% of the facilities undertaken

The bank guarantees against the fixed deposits and the over draft facilities against the fixed deposits are typically secured by way of a lien against the fixed deposits held with the lender of an amount equivalent to the facility availed and to an extent of 103.20% of the facilities availed, respectively.

The cash credit hypothecation facilities availed by our Subsidiary are typically secured by way of:

i. Guarantees furnished by two directors of the Subsidiary; and
ii. First charge on the entire project (present and future) assets of the Subsidiary (tangible/intangible, movable/immovable), including by way of hypothecation on all the book debts of the Subsidiary.

Re-payment: While the working capital limits are repayable on demand, each sub-limit has specific schedule prescribed with provisions of monthly repayments for some of the sub-limits.

Prepayment: The working capital facilities availed of by our Company generally have prepayment provisions which allow for pre-payment of the outstanding loan amount on receiving prior approval from such concerned lender, subject to such prepayment premium as may be decided by the lender at the time of such prepayment, or as laid down in the facility document, as the case may be.

Covenants: Borrowing arrangements entered into by us typically contain various restrictive conditions and covenants restricting certain corporate actions, and we are required to take the prior approval of the lender before carrying out such activities, including, among others, for:

a. effect any merger, de-merger, amalgamation, consolidation, reorganization or scheme of arrangement or compromise;

b. declare or pay any dividend or any other distribution of profits or permit withdrawal of amounts brought in if an event of default has occurred;

c. redeem, purchase, buyback, retire, or repay any of the entity's share capital, de-list its shares from the stock exchanges, if applicable, or resolve to do so for so long as any sums are due to the lender;

d. create charge on the entity's securities;

e. pay any compensation to the directors for loss of office for any reason whatsoever, if there is a default in payment;

f. enter into forward contracts, swaps, options, or other liability management contracts in respect of short term facilities; and

g. change the accounting method or financial year of our Company.

Events of Default: Borrowing arrangements entered into by us contain standard events of default, including:

a. non-payment or default of principal and/or interest due on the loan obligation;

b. breach of any covenant, condition, agreement or any other conditions subject to the terms of the relevant borrowing arrangement;

c. proceedings relating to winding up, dissolution, bankruptcy and insolvency being initiated against our Company;

d. change in control of our Company without the approval of lenders;

e. cross default by our Company on amounts due to any other lender subject to the terms of the relevant borrowing arrangement;

f. any obligations under the facility agreements or any of the transaction documents, is not, or ceases to be, a valid, legal and/or binding obligation of any person party to it becomes void, illegal, unenforceable, or is repudiated by such person.

Additionally, our Subsidiaries, Paytm First Games Private Limited and Paytm First Games Singapore Pte. Ltd have availed an external commercial borrowing and an inter corporate loan from AGTech Media Holdings Limited.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for FY 2019, FY 2020 and FY 2021. Unless otherwise stated, the financial information in this section has been derived from the Restated Financial Statements.

Our financial year ends on March 31 of each year. Accordingly, references to "FY 2019", "FY 2020" and "FY 2021", are to the 12-month period ended March 31 of the relevant year.

*Ind AS differs in certain respects from, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also see "**Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as, IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows**" on page 68. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "**Risk Factors**" and "**Forward Looking Statements**" beginning on pages 35 and 26, respectively.*

Overview of Our Business

We are India's leading digital ecosystem for consumers and merchants, according to RedSeer. We offer payment services, commerce and cloud services, and financial services to 333 million consumers and over 21.1 million merchants, as of March 31, 2021. Our two-sided (consumer and merchant) ecosystem enables commerce, and provides access to financial services, by leveraging technology to improve the lives of our consumers and helps our merchants grow their businesses.

Our consumer and merchant engagement and lifecycle is core to our business model and our unit economics.

For consumers, certain payment categories like money transfer, in-store payments and bill payments are highly relevant, high frequency use cases that are efficient and pre-dominant means of consumer acquisition for us. Products such as Paytm Wallet, Paytm Postpaid, Paytm Bank savings account and FASTag help build consumer engagement and stickiness and help us retain consumers. Products such as personal loans, credit cards and insurance allow us to monetize users, at little or no incremental cost of acquisition, and at attractive economics.

Similarly, for merchants, certain payments offerings, such as QR (for in-store) and Payment Gateway (for online) are our primary means to on-board new merchants. Products such as Soundbox and POS devices and Paytm Business Payments, increases their engagement and retention on our ecosystem with attractive monetisation characteristics in many cases. Products such as merchant lending, advertising and cloud allow us to monetize our merchants, at little or no incremental cost of acquisition, and at attractive economics.

Payment Services

We have an easy-to-use suite of payment services for consumers and merchants, which enables them to send and receive payments in a convenient, seamless and secure manner both online and in-store. According to RedSeer, We are the largest payments platform[12] in India, with a GMV of ₹4,033 billion in FY 2021. We processed a total of 5.9 billion merchant transactions in FY 2021.

Commerce and Cloud Services

We provide a commerce lifestyle destination for consumers such as ticketing for travel and entertainment, and for gaming, food delivery, ride hailing and more. In FY 2020 we processed a total Commerce GMV of ₹142,230 million, which declined to ₹42,445 million in FY 2021 as a result of the impact of the COVID-19 pandemic on our commerce merchants. We offer commerce and cloud services, such as ticketing, advertising, mini-apps and loyalty solutions to our merchants that help them acquire and retain customers on and off the Paytm platform.

Financial Services

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[12] In terms of the number of transactions between consumers and merchants completed on our platforms.

We provide financial services including digital lending, mobile banking, insurance, and wealth management for consumers and merchants. For FY 2021, we processed a total of 2.6 million loans through our financial institution partners. We provide most of our financial services through our financial institution partners.

For more details on each of our service offerings, see "***Our Business – Our Products and Services***" on page 170.

Our Business Model

We segregate our revenue under two revenue lines, (i) Payment and Financial Services, and (ii) Commerce and Cloud Services.

Revenue

Payment and Financial Services

We currently derive a majority of our revenue from our payment services. For our payment services, we primarily generate revenues from (i) the transaction fee that we charge our merchants based on a percentage of GMV, (ii) consumer convenience fees that we charge our consumers for certain types of transactions, and, (iii) recurring subscription fees from merchants for certain products and services, such as Paytm Soundbox and POS. The fee percentage that we charge varies by the type of payment instrument used by consumers and the category of merchant. For example, we generally earn larger transaction fees on transactions completed through credit cards and certain Paytm Payment Instruments, than we do on other instruments.

For our financial services, we generate revenue depending on the type of services offered by us and through our financial institution partners on our platforms (i.e. lending, insurance, and wealth management) and within each business, the type of product. Our revenues vary depending on the product, nature of partnership and the level of our involvement in distribution, product-creation and collections. For our lending business that we provide through our financial institution partners, we earn (i) a sourcing fee from our financial institution partners, which is typically earned at the time of disbursal of the loan based on a percentage of the loan amount, and (ii) a collection fee from financial institution partners based on a percentage of the loan amount, for the collection services that we perform and is linked to the amount collected. For distribution of credit cards, we charge our financial institution partners an upfront distribution fee per card issued and a percentage of the total annual spend for the card. We also earn incentives from the card networks for driving adoption of cards. For insurance products, we earn a commission from our insurance partners based on a percentage of total premiums for insurance products sold through our platforms. For our equity broking services, we earn consumer fees, such as upfront account opening fee, transaction fee depending on transaction type and volumes, and an annual subscription fee. In addition, in Paytm Money, we earn float income on funds that our customers keep in their brokerage accounts. Many of our financial services businesses, such as Postpaid 2.0, stock broking and personal loans were launched more recently, in 2020. As a result, revenue from our financial services currently constitute a small percentage of our total revenue.

Commerce and Cloud Services

For our travel, entertainment and ticketing, and other commerce businesses, we generate revenues by charging merchants a transaction fee, and/or consumers a convenience fee, which is typically linked to a percentage of transaction value. Some of our marketing and promotional expenses, such as a portion of cashbacks, are netted off from our total revenue in certain cases. For software and cloud services, we charge our merchants a subscription fee, and in some instances a fee linked to the volume of activity on our platforms. For our advertising business, we run performance and brand marketing campaigns for merchants, and charge them depending on the scale and type of campaign.

Expense

Our major expenses include (i) payment processing charges, (ii) marketing and promotional expenses, (iii) employee benefits expenses, (iv) software, cloud and data center expenses, (v) depreciation and amortization expenses, (vi) finance costs, and (v) other expenses.

Payment processing charges are charges paid to banks for routing transactions through their payment gateways, and are dependent on (i) the category of merchant, and (ii) payment instrument used by the consumer. Other factors may include (i) size and number of transactions processed on our platforms, and (ii) the network through which the transaction is routed.

Marketing and promotional expenses comprise digital marketing, brand marketing, sponsorships, cashback, Paytm points and other promotional expenses, given to consumers or merchants for incentivizing acquisition and retention. Some of our marketing and promotional expenses, such as cashbacks, are netted from our total revenue in certain cases

Employee benefits expenses include salaries, incentives and share-based compensation that we pay to our employees. Our largest employee benefit expenses are for employees in technology team, sales and business development.

Our software, cloud and data center expenses primarily include costs we pay for cloud and data center facilities, costs for technology licenses and technology subscription fees, and other related expenses.

Our depreciation and amortization expenses primarily include depreciation expenses on plant and machinery (POS and soundbox, among others), computers and servers, right of use assets and amortization of intangible assets.

Our finance costs include interest expenses paid on borrowings,and finance charges paid on lease liabilities.

Our other expenses are all other expenses, including expenses for subcontracted staff, connectivity and communication expenses such as SMS and email, rent for office facilities, travel expenses, logistics and warehousing expenses, among others.

Principal Factors Affecting our Financial Condition and Results of Operations

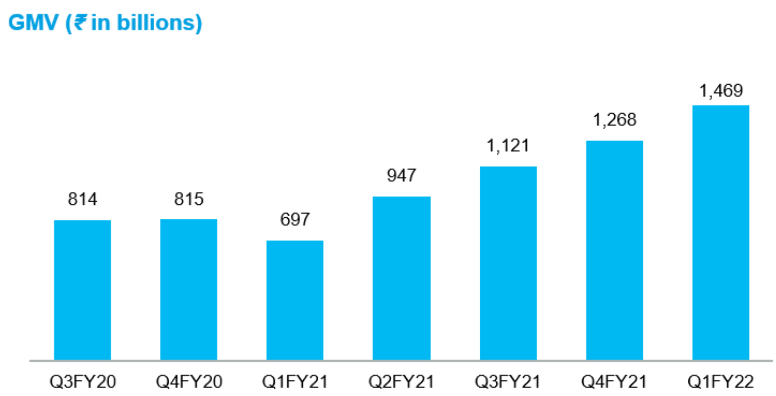
The following describes certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Gross Merchant Volume (GMV) and take rate

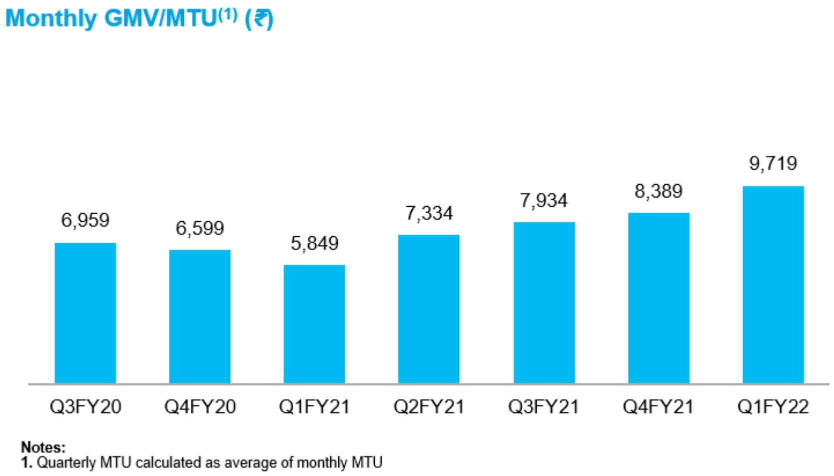
One of the key drivers of our payment and financial service revenue is the GMV that is processed on our platforms and the take rate that we make on it. We define GMV as the rupee value of total payments made to merchants through transactions on our app, through Paytm Payment Instruments or through our payment solutions, over a period. It excludes any consumer-to-consumer payment service such as money transfers. We define take rate for a particular period as the ratio of our revenue to GMV for such period.

While our GMV has been growing consistently, we experienced an impact in our GMV in the fourth quarter of FY 2020 and in the first quarter of FY 2021 primarily due to the lockdowns imposed as a result of the COVID-19 pandemic which reduced availability of payments use cases. Since lockdowns eased in India in the second quarter of FY 2021, our GMV has increased consistently for the rest of FY 2021 primarily due to an increase in the transactions of our online and in-store merchants. Even during the first quarter of FY 2022, which was impacted by the second wave of COVID-19, we saw continued growth in GMV.

The following chart shows our aggregate GMV per quarter since the third quarter of FY 2020.



We are focused on increasing consumer and merchant engagement on our platforms. We have been able to grow transaction frequency and GMV per MTU significantly. During the COVID-19 lockdown period in the fourth quarter of FY 2020 and the first quarter of FY 2021, while the impact on our MTU was minimal, the GMV per transacting customer declined since certain merchants that were not operating or were otherwise impacted. Since lockdowns eased in India in the second quarter of FY 2021, our average monthly GMV per MTU for each quarter has grown consistently and has exceeded pre-COVID-19 levels. This trend continued in the first quarter of FY 2022 despite impact of the second wave of COVID-19 on our merchants during this period. The following chart shows our average monthly GMV per MTU for each quarter since the third quarter of FY 2020.



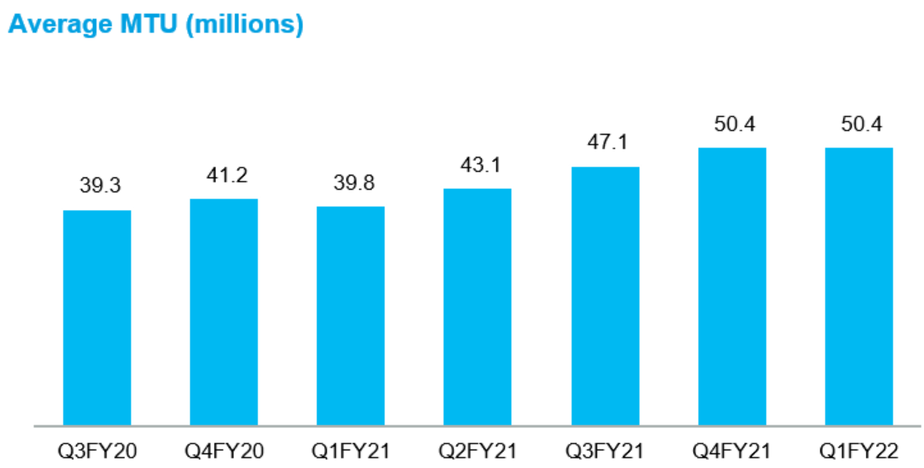
The take rate that we make on our GMV depends on the mix of payment instruments used to process payments on our platform. Some payment instruments, such as credit cards and certain Paytm Payment Instruments like Paytm Wallet, Paytm Postpaid and Paytm FASTag, have a higher transaction fee compared to others while certain payment instruments such as UPI have zero take-rate. Over the last three years, our take rate has declined due to our efforts to reduce take rate for our merchants, and an increase in the share of UPI transaction in our total instrument mix. However, starting in the third quarter of FY 2021, there has been an increase in take rates for certain instruments, as well as steady growth of higher take rate instruments such as credit cards, and Paytm Postpaid. Our take rate for the fourth quarter of FY 2021 was 0.64%.

Number of consumers in our ecosystem

In order to grow our business, we must attract new consumers and increase retention and engagement of existing consumers on our platforms. We are able to attract consumers by offering them daily life use cases such as bill payments, mobile top-ups, money transfer, online and in-store payments, entertainment and travel tickets, play online games, access mini-apps across food delivery, e-commerce, ride hailing and more. We are able to increase their engagement and retain them by offering a wide selection of daily life use cases, through technology-led, easy-to-use digital products and services.

Our monthly transacting users ("**MTU**") have grown consistently during FY 2021. We define MTU as unique consumers who have completed at least one successful transaction on the Paytm ecosystem in a particular calendar month. Even though our operations were impacted in the first quarter of FY 2021 with the imposition of lockdowns due to the COVID-19 pandemic in India and our MTU was marginally impacted during the period, our MTU has been steadily increasing over the past few quarters. Despite the impact of the second wave of COVID-19 during the months of April 2021 and May 2021 there was no decline in average MTU during the first quarter of FY 2022 as compared to the previous quarter.

The following chart shows our average MTU per quarter since the third quarter of FY 2020.



Number of merchants in our ecosystem and their engagement

Our long-term revenue growth and increase in GMV is dependent on our ability to retain and acquire new merchants on our platforms. We have been able to attract merchants on our platforms by offering them, (i) a full suite of payment services, and (ii) technology solutions to grow their businesses and our share of their payments. With more merchants being a part of our ecosystem, we are able to offer more use cases to our consumers which increases the number of transactions on our platform. Despite the impact of the COVID-19 pandemic on operations during the fourth quarter of FY 2020 and the first quarter of FY 2021, our total merchant base has increased steadily from 11.2 million as of March 31, 2019 to 16.3 million as of March 31, 2020 and 21.1 million as of March 31, 2021.

Commerce GMV

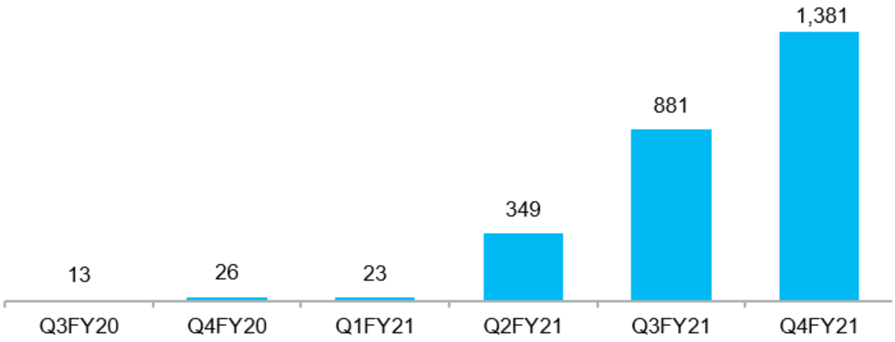
Commerce GMV, which we define as the total value of goods or services sold on the Paytm platforms by our commerce merchants, is a critical component of our revenue from commerce and cloud services. There was a decrease in our Commerce GMV from ₹142,230 million in FY 2020 to ₹42,445 million in FY 2021, primarily as a result of COVID-19 pandemic which impacted our partners in travel, entertainment and e-commerce industries, as well as reduced marketing spends by some of our partners. According to RedSeer, during FY 2021 the travel industry declined by approximately 55% and movies and events declined by 88% due to the various restrictions imposed as a result of the COVID-19 pandemic. We also provide cloud services which was less impacted by the COVID-19 pandemic.

Adoption of our financial services offerings

Revenue from our financial services is linked to the transaction volumes in our financial services offerings, including the number and value of loans disbursed by our financial institution partners, value of insurance policies sold, number of credit cards sourced by our financial institution partners and, number and value of equity and derivatives trading orders.

We launched a number of financial products in 2020, such as Paytm Postpaid 2.0 and personal loans, with financial institution partners, and stock broking services. We have been able to significantly grow our lending business over the last few quarters, primarily as a result of the growth in our Paytm postpaid product. The following chart shows the total number of loans disbursed by our financial institution partners in each quarter since the third quarter of FY 2020.

Total Loans Disbursed (# in '000)



We started providing stock broking services in 2020. While the total number of users availing stock broking services has increased and continues to grow, it is currently at less than 1% of our monthly active customer base. We have over 1.3 million consumers in direct mutual fund investments, and have achieved over ₹52 billion in AUM in direct mutual funds, digital gold, and stock broking investments, as on March 31, 2021. We also had 208,000 equity trading accounts as of March 31, 2021.

We are also a registered insurance broker and provide auto, health and life insurance products to our consumers and merchants. We are able to leverage the commerce transactions completed on our apps to provide attached insurance products to our consumers. As of March 31, 2021, we, together with Paytm Insurance Broking Private Limited,had 11.3 million unique insurance customers and had sold 31.5 million cumulative attachment products and insurance policies.

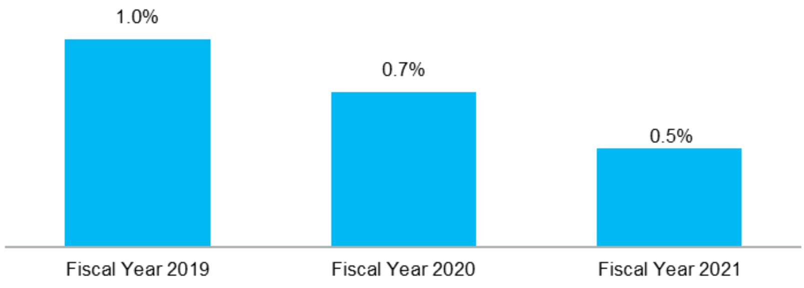
Costs and Profitability

Our profitability depends on the cost effectiveness of our business. In the last three years, we have been able to reduce our payment processing charges as a percentage of GMV and our marketing and promotional expenses. We believe that we have significant operating leverage in our fixed costs, and significant ability to bring down costs, as a percentage of revenues, through higher margin products.

Payment processing charges

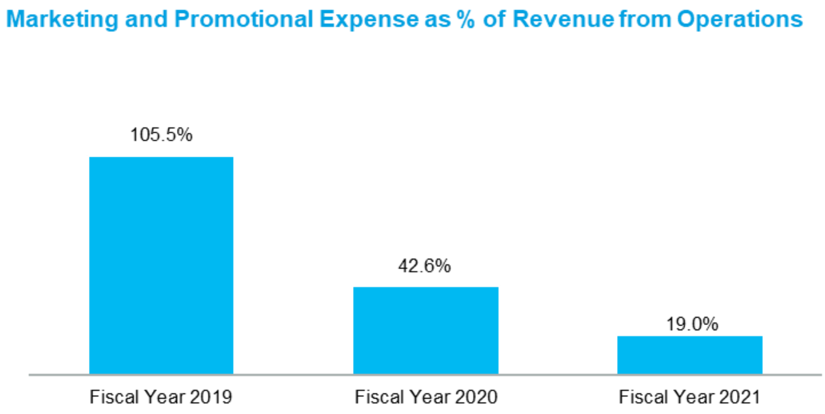
Our payment processing charges as a percentage of our GMV, as depicted in the chart below, for the same period reduced from 1.0% in FY 2019 to 0.5% in FY 2021, primarily driven by improvements in transaction rates from banks due to our scale, improved transaction routing due to technology and product interventions, and an increase in share of low cost payment instruments in our overall instrument mix.

Payment Processing Charges as % of GMV



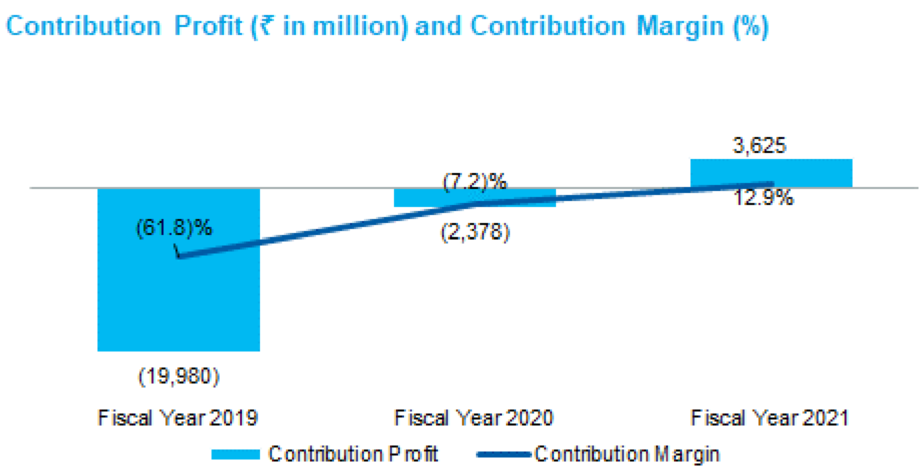
Marketing and promotional expenses

Our marketing and promotional expenses, as depicted in the chart below, in FY 2021 reduced by 61.9% from FY 2020, and by 84.4% from FY 2019. As percentage of our revenue from operations, our marketing and promotional expenses reduced from 105.5% in FY 2019 to 19.0% in FY 2021 primarily due to a reduction in customer acquisition costs as well as retention costs. As we have expanded our offerings, we have been able to increase consumer engagement and grow our consumer base with lower costs. We intend to continue being efficient with our customer acquisition and retention costs.



Contribution profit and contribution margin

As a result of improvement in these costs, we have been able to improve our contribution profit and contribution margin. We use Contribution margin as a key metric in evaluating our operating performance and believe it is a useful measure as it takes into consideration the direct costs of operating of businesses. Our contribution profit improved from a loss of ₹19,980 million in FY 2019 to a profit of ₹3,625 million in FY 2021. Our contribution margin, as depicted in the table and chart below, increased from a loss of 61.8% in FY 2019 to a profit of 12.9% in FY 2021.



The following table reconciles contribution margin to our revenue from operations for the periods indicated:

	FY		
	2019	**2020**	**2021**
Contribution profit	*(₹ in millions, except percentages)*		
Revenue from operations (A)	32,320	32,808	28,024
Payment processing charges (B)	22,574	22,659	19,168
Promotional cashbacks and incentives[(1)] (C)	27,937	9,592	2,357

	FY		
	2019	**2020**	**2021**
Connectivity and content fees (D)	1,071	1,561	1,819
Contest, ticketing and FASTag expenses (E)	680	1,221	681
Logistic, deployment and collection cost (F)	38	153	374
Contribution profit (G=A-B-C-D-E-F)[(2)]	**(19,980)**	**(2,378)**	**3,625**
Contribution margin (H=G/A)[(3)]	**(61.8)%**	**(7.2)%**	**12.9%**

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(1) Marketing and promotional expenses for FY 2019, FY 2020 and FY 2021 are ₹34,083 million, ₹13,971 million and ₹5,325 million, respectively, out of which expenses considered in calculation of Contribution profit are in the nature of promotional cashbacks and incentives.

(2) Contribution profit is a non-GAAP financial measure calculated as revenue from operations less payment processing charges, promotional cashbacks and incentives, connectivity and content fees, contest, ticketing and FASTag expenses and logistic, deployment & collection cost of our businesses. Contribution margin is the percentage margin derived by dividing contribution profit by revenue from operations.

(3) Our Contribution margins have been improving consistently over the past three fiscal years primarily due to (i) a reduction in the overall payment processing charges, with scale, technology improvement and changes in instrument mix and, (ii) a reduction in promotional cashbacks and incentives, resulting from continued focus on optimizing cost of acquiring and retaining customers and merchants on our platforms.

Employee benefit expenses

In the last three years, we have made significant investments in our technology team, our sales team and the build-out of our financial services business which has resulted in an increase in our employee benefits expenses. We have also moved some of our functions from sub-contracted staff to our own employees, to ensure best-in-class services and efficiency.

Adjusted EBITDA and Adjusted EBITDA Margin

In the last three years, our Adjusted EBITDA has improved from ₹(42,115) million in FY 2019 to ₹(16,548) million in FY 2021 and Adjusted EBITDA margin has improved from (130.3)% in FY 2019 to (59.0)% in FY 2021. For a reconciliation of Adjusted EBITDA to our Ind AS financials, see "- *Non-Ind AS Financial Measures – Adjusted EBITDA and Adjusted EBITDA Margin*" below.

Critical accounting policies

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. We recognize revenue when it transfers control over a product or service to a customer. Revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

We provide incentives to our users in various forms including cashbacks. Incentives which are consideration payable to the customer that are not in exchange for a distinct good or service are generally recognized as a reduction of revenue.

Where we act as an agent for selling goods or services, only the commission income is included within revenue. The specific revenue recognition criteria described below must also be met before revenue is recognized. 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 recognized as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Sale of services

Revenue from services is recognized when the control in services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered. Revenues are disclosed net of the Goods and Service tax charged on such services. In terms of the contract, excess of revenue over the billed at the year-end is carried in the balance sheet as unbilled revenue under other financial assets where the amount is recoverable from the customer without any future performance obligation. Cash received before the services are delivered is recognized as a contract liability.

Service fees from merchants

The Group earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Group i.e. as and when services have been provided by the Group. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Group pending settlement are disclosed as payable to the merchants under contract liabilities.

Commission

The Group facilitates recharge of talk time, bill payments, and availability of bus tickets and sale of deal coupons and earns commission for the respective services. Commission income is recognized when the control in services is transferred to the customer when the services have been provided by the Group.

Other operating revenue

Where the Group is contractually entitled to receive claims/compensation in case of non-discharge of obligations by customers, such claims/compensations are measured at amount receivable from such customers and are recognized as other operating revenue when there is a reasonable certainty that the Group will be able to realize the said amounts.

Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, 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 gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, 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 finance income in the restated consolidated statement of profit and loss.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment, if any. Property, plant and equipment is depreciated on a written down value basis to its residual value over its estimated useful life.

Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Group and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repair and maintenance are charged to restated consolidated statement of profit and loss during the reporting period in which they are incurred.

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

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the restated consolidated statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the written down value method and charged to restated consolidated statement of profit and loss as per the rates prescribed under Schedule II of the Companies Act, 2013 except for technical evaluation done by the management's expert for plant and machinery, given below:

Assets	Rate of Depreciation (per annum)
Servers and networking equipment (Computers)	39.30%
Laptops and desktops (Computers)	63.16%
Office equipment	45.07%
Furniture and fittings	25.89%
Plant & Machinery	45.07% / 63.16%
Vehicles	31.23%

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Share-based payments

Equity-settled transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through restated consolidated statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

For awards classified as cash settled share based transactions, the goods or services acquired are measured and the liability incurred, at the fair value of liability. Until the liability is settled, the fair value of the liability is re-measured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in restated consolidated statement of profit and loss for the period.

The cost of cash-settled transactions is determined by the fair value of equity instruments at each reporting date using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in liability, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The Group has set up an Employee Welfare Trust (EWT) for administering certain types of share-based payment arrangements including awards given to employees of the outside group companies as well for awards of options of other companies given to its employees. The Group uses EWT as a vehicle for distributing shares under the ESOP schemes. The EWT holds shares of the Group, for giving shares to employees. The Group treats EWT as its extension and shares of the Group held by EWT are treated as treasury shares. Other assets held by EWT are consolidated on a line-by-line basis with Group's financial statements. Shares of other companies held by EWT for distribution to its employees are separately disclosed under investments

Results of Operations

The following table sets forth select financial data from our restated consolidated statement of profit and loss for FY 2019, 2020 and 2021, the components of which are also expressed as a percentage of revenue from operations for such years.

	Fiscal					
	2019		**2020**		**2021**	
		% of revenue from operations		*% of revenue from operations*		*% of revenue from operations*
			(₹ in millions, except percentages)			
Income						
Revenue from operations						
Payment and financial services...........	16,955	52.5%	19,068	58.1%	21,092	75.3%
Commerce and cloud services	15,365	47.5%	11,188	34.1%	6,932	24.7%
Other operating revenue	-	-	2,552	7.8%	-	-
Revenue from operations.........................	**32,320**	**100.0%**	**32,808**	**100.0%**	**28,024**	**100.0%**
Other income...	3,477	10.8%	2,599	7.9%	3,844	13.7%
Total income	**35,797**	**110.8%**	**35,407**	**107.9%**	**31,868**	**113.7%**
Expenses						
Payment processing charges	22,574	69.8%	22,659	69.1%	19,168	68.4%
Marketing and promotional expenses.........	34,083	105.5%	13,971	42.6%	5,325	19.0%
Employee benefits expense	8,562	26.5%	11,193	34.1%	11,849	42.3%
Software, cloud and data centre expenses ..	3,096	9.6%	3,603	11.0%	3,498	12.5%
Depreciation and amortization expense	1,116	3.4%	1,745	5.3%	1,785	6.4%
Finance costs...	342	1.1%	485	1.5%	348	1.2%
Other expenses..	7,666	23.7%	7,726	23.5%	5,857	20.9%
Total expenses..	**77,439**	**239.6%**	**61,382**	**187.1%**	**47,830**	**170.7%**
Restated loss before share of profit/(loss) of associates / joint ventures, exceptional items and tax	**(41,642)**	**(128.8)%**	**(25,975)**	**(79.2)%**	**(15,962)**	**(57.0)%**
Share of restated profit / (loss) of associates / joint ventures..........................	146	0.4%	(560)	(1.7)%	(740)	(2.6)%
Restated loss before exceptional items and tax from continuing operations........	**(41,496)**	**(128.4)%**	**(26,535)**	**(80.9)%**	**(16,702)**	**(59.6)%**
Exceptional items......................................	(825)	(2.5)%	(3,047)	(9.3)%	(281)	(1.0)%
Restated loss before tax from continuing operations	**(42,321)**	**(130.9)%**	**(29,582)**	**(90.2)%**	**(16,983)**	**(60.6)%**
Income Tax expense						

	Fiscal					
	2019		2020		2021	
		% of revenue from operations		*% of revenue from operations*		*% of revenue from operations*
Current tax..	6	0%	16	0%	34	0.1%
Deferred tax expense/(credit)	(71)	(0.2)%	(174)	(0.5)%	(7)	0%
Total tax expense.....................................	**(65)**	**(0.2)%**	**(158)**	**(0.5)%**	**27**	**0.1%**
Restated loss for the year from continuing operations	**(42,256)**	**(130.7)%**	**(29,424)**	**(89.7)%**	**(17,010)**	**(60.7)%**
Restated Loss for the year from discontinued operations..........................	**(53)**	**(0.2)%**	**-**	**-**	**-**	**-**
Restated Loss for the year	**(42,309)**	**(130.9)%**	**(29,424)**	**(89.7)%**	**(17,010)**	**(60.7)%**
Restated Total Other Comprehensive Income/(Loss) for the year......................	**(46)**	**(0.1)%**	**(9)**	**0%**	**(30)**	**(0.1)%**
Restated Total Comprehensive Income/ (Loss) for the year	**(42,355)**	**(131.0)%**	**(29,433)**	**(89.7)%**	**(17,040)**	**(60.8)%**

FY 2021 compared to FY 2020

Income

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Income	*(₹ in millions, except percentages)*			
Revenue from operations				
Payment and financial services	19,068	21,092	2,024	10.6%
Commerce and cloud services	11,188	6,932	(4,256)	(38.0)%
Other operating revenue	2,552	-	(2,552)	(100%)
Revenue from operations	32,808	28,024	(4,784)	(14.6)%
Other income	2,599	3,844	1,245	47.9%
Total income	**35,407**	**31,868**	**(3,539)**	**(10.0)%**

Our revenue from operations decreased by 14.6% to ₹28,024 million in FY 2021 from ₹32,808 million in FY 2020. While our revenue from payment and financial services increased in FY 2021 from FY 2020, such increase was offset by a decrease in the revenue from commerce and cloud services during the same period primarily due to the impact of the COVID-19 pandemic and related lockdown measures.

Revenue from our payment and financial services increased by 10.6% to ₹21,092 million in FY 2021 from ₹19,068 million in FY 2020. Lockdowns imposed towards the end of FY 2020, as a result of the COVID-19 pandemic, caused disruption to many of our merchants with particular severity from March 2020 to May 2020. This resulted in an impact in our payments volumes, as our GMV remained flat during fourth quarter of FY 2020 (compared to the previous quarter) and declined by 14% during the first quarter of FY 2021. As lockdowns eased in India in the second half of FY 2021, our GMV increased consistently for the rest of FY 2021. Despite the significant impact in the first half of FY 2021, the number of transactions on our platforms increased resulting in an increase in the GMV by 33% to ₹4,033 billion in FY 2021 from ₹3,032 billion FY 2020. Revenue from our payment and financial services increased overall in FY 2021 compared to FY 2020 with an increase in the transaction fee we earned from our online and in-store merchants. We also attracted more merchants to our platform resulting in an increase in the number of merchants using our services to 21.1million as of March 31, 2021 from 16.3 million as of March 31, 2020. During FY 2021, particularly in the second half of the year, we saw increased contribution from our financial services businesses and an increase in subscription revenues from in-store merchants.

Revenue from our commerce and cloud services decreased by 38.0% to ₹6,932 million in FY 2021 from ₹11,188 million in FY 2020. Our Commerce GMV declined from ₹142,230 million in FY 2020 to ₹42,445 million in FY 2021 primarily due to disruptions to our partners in travel, entertainment and e-commerce industries. According to RedSeer, during FY 2021 the travel industry declined by approximately 55% and movies and events declined by 88% compared to FY 2020 due to the various restrictions imposed as a result of the COVID-19 pandemic. This resulted in a decrease in the total number of tickets sold on our platform causing a decrease in the transaction fee and convenience fee earned from merchants and consumers, respectively, during FY 2021. As lockdowns eased in India, our Commerce GMV and transaction fee from the commerce and cloud services increased consistently after May 2020, but continued, in each quarter, to be lower than pre-COVID-19 levels. Our cloud services were less impacted by the COVID-19 pandemic, despite logistical challenges, particularly with existing partners, and starting business with new partners. The impact of the decline in Commerce GMV was partially offset by an increase in revenues from advertising services from FY 2020 to FY 2021.

Our other operating revenue was nil in FY 2021 compared to ₹2,552 million in FY 2020. In FY 2020, we recovered one-time marketing expenses from one of our merchants.

Our other income increased by 47.9% to ₹3,844 million in FY 2021 from ₹2,599 million in FY 2020, primarily due to an increase in interest income earned from our bank deposits as our bank balances increased during FY 2021.

Expenses

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Payment processing charges	22,659	19,168	(3,491)	(15.4)%
Marketing and promotional expenses	13,971	5,325	(8,646)	(61.9)%
Employee benefits expense	11,193	11,849	656	5.9%
Software, cloud and data centre expenses	3,603	3,498	(105)	(2.9)%
Depreciation and amortization expense	1,745	1,785	40	2.3%
Finance costs	485	348	(137)	(28.2)%
Other expenses	7,726	5,857	(1,869)	(24.2)%
Total expenses	**61,382**	**47,830**	**(13,552)**	**(22.1)%**
Percentage of revenue from operations	187.1%	170.7%		

Our total expenses decreased by 22.1% to ₹47,830 million for FY 2021 from ₹61,382 million for FY 2020.

Payment processing charges

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Payment processing charges	22,659	19,168	(3,491)	(15.4)%
Percentage of revenue from operations	69.1%	68.4%		

Our payment processing charges decreased by 15.4% to ₹19,168 million for FY 2021 from ₹22,659 million for FY 2020 despite an increase of 33% in our GMV in FY 2021 from FY 2020, primarily driven by improvements in transaction rates from banks due to our scale, improved transaction routing due to technology interventions, and an increase in share of low cost payment instruments in our overall instrument mix.

Marketing and promotional expenses

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Marketing and promotional expenses	13,971	5,325	(8,646)	(61.9)%
Percentage of revenue from operations	42.6%	19.0%		

Our marketing and promotional expenses decreased by 61.9% to ₹5,325 million in FY 2021 from ₹13,971 million in FY 2020, primarily due to a reduction in customer acquisition and retention costs, such as cashbacks, digital marketing expenses and brand marketing expenses, which is in line with our continued focus on driving efficiencies in all our marketing efforts. As we expand our offerings, we were able to increase consumer engagement and grow our consumer base without incurring significant consumer acquisition additional costs. We continue to be focused on being efficient with our customer acquisition and retention costs.

Employee benefit expense

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Employee benefits expense	11,193	11,849	656	5.9%
Percentage of revenue from operations	34.1%	42.3%		

Our employee benefit expense increased by 5.9% to ₹11,849 million in FY 2021 from ₹11,193 million in FY 2020. The primary reasons for an increase in employee benefit expenses are: (i) the expansion of our technology and financial services teams, and (ii) fact that until 2020, we subcontracted certain services, such as field sales and distribution of in-store merchants products and services to third-parties and these subcontracting expenses were reported under the line item "other expenses". During FY 2021, we moved some of these services in-house, largely field sales and distribution employees, to ensure best-in-class services and efficiency, which resulted in increased average headcount from 5,904 for the year FY 2020 to 8,623 for the year FY 2021. This was offset by efficiency in headcount in some of our businesses, and also resulted in a reduction in our other expenses (please see below)

Software, cloud and data centre expenses

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Software, cloud and data centre expenses	3,603	3,498	(105)	(2.9)%
Percentage of revenue from operations	11.0%	12.5%		

Our software, cloud and data centre expenses decreased by 2.9% to ₹3,498 million in FY 2021 from ₹3,603 million in FY 2020, despite significant increase in consumers, merchants, transactions and GMV, primarily because we optimized cloud usage and negotiated favorable rates with our cloud service providers. This decrease is in line with our continued effort to drive efficiencies in our utilization of cloud services.

Depreciation and amortization expense

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
	(₹ in millions, except percentages)			
Depreciation and amortization expense	1,745	1,785	40	2.3%
Percentage of revenue from operations	5.3%	6.4%		

Our depreciation and amortization expense marginally increased by 2.3% to ₹1,785 million in FY 2021 from ₹1,745 million in FY 2020, in line with our depreciation policy on existing assets.

Finance costs

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
	(₹ in millions, except percentages)			
Finance costs	485	348	(137)	(28.2)%
Percentage of revenue from operations	1.5%	1.2%		

Our finance costs decreased by 28.2% to ₹348 million in FY 2021 from ₹485 million in FY 2020, primarily due to a decrease in interest on lease liabilities and a decrease in interest paid on our working capital loans resulting from lower interest rates during FY 2021 compared to FY 2020**.**

Other expenses

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Other expenses	7,726	5,857	(1,869)	(24.2)%
Percentage of revenue from operations	23.5%	20.9%		

Our other expenses decreased by 24.2% to ₹5,857 million in FY 2021 compared to ₹7,726 million in FY 2020, primarily due to a decrease in our subcontracting expenses in FY 2021. Until 2020, we subcontracted certain services, such as field sales and distribution of in-store merchants products and services to third-parties and these subcontracting expenses were reported under the line item "other expenses". During FY 2021, we moved some of these services in-house to our company and its subsidiaries. As a result while our subcontracting expenses reduced in FY 2021 compared to FY 2020, our employee benefit expenses increased during the same period. We also optimized certain other areas, including office facilities rent, employee travel, and costs related to business such as ticketing which were impacted by the COVID-19 pandemic.

Restated Loss for the Year

	FY			
	2020 (A)	**2021 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
	(₹ in millions, except percentages)			
Restated Loss of the year	29,424	17,010	(12,414)	(42.2)%

As a result of the foregoing factors, our restated loss for FY 2021 declined by 42.2% to ₹17,010 million from a loss of ₹29,424 million for FY 2020.

FY 2020 compared to FY 2019

Income

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Income	*(₹ in millions, except percentages)*			
Revenue from operations				
Payment and financial services	16,955	19,068	2,113	12.5%
Commerce and cloud services	15,365	11,188	(4,177)	(27.2)%
Other operating revenue	-	2,552	2,552	
Revenue from operations	32,320	32,808	488	1.5%
Other income	3,477	2,599	(878)	(25.3)%
Total income	**35,797**	**35,407**	**(390)**	**(1.1)%**

Our revenue from operations increased marginally by 1.5% to ₹32,808 million in FY 2020 from ₹32,320 million in FY 2019, primarily due to an increase in our revenue from payment and financial services and other operating revenue, partially offset by a decrease in the revenue from commerce and cloud services during the same period.

Revenue from our payment and financial services increased by 12.5% to ₹19,068 million in FY 2020 from ₹16,955 million in FY 2019, primarily due to an increase in the transaction fee we earned from online merchants. The number of transactions on our platforms increased resulting in an increase in GMV by 32% to ₹3,032 billion in FY 2020 from ₹2,292 billion FY 2019. There was also an increase in the number of merchants using our services to 16.3 million as of March 31, 2020 from 11.2 million as of March 31, 2019.

Revenue from our commerce and cloud services decreased by 27.2% to ₹11,188 million in FY 2020 from ₹15,365 million in FY 2019 primarily due to reduced spends by one of our merchants. We also recovered a one-time marketing expense of ₹2,552 million from one of our merchants in FY 2020.

Our other income decreased by 25.3% to ₹2,599 million in FY 2020 from ₹3,477 million in FY 2019, primarily due to a decrease in income from mutual funds and fair value loss on receivables/financial assets.

Expense

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Payment processing charges	22,574	22,659	85	0.4%
Marketing and promotional expenses	34,083	13,971	(20,112)	(59.0)%
Employee benefits expense	8,562	11,193	2,631	30.7%
Software, cloud and data centre expenses	3,096	3,603	507	16.4%
Depreciation and amortization expense	1,116	1,745	629	56.4%
Finance costs	342	485	143	41.8%
Other expenses	7,666	7,726	60	0.8%
Total expenses	**77,439**	**61,382**	**(16,057)**	**(20.7)%**
Percentage of revenue from operations	**239.6%**	**187.1%**		

Our total expenses decreased by 20.7% to ₹61,382 million for FY 2020 from ₹77,439 million for FY 2019. As a percentage of revenue from operations, our total expenses was 187.1% in FY 2020 compared to 239.6% in FY 2019.

Payment processing charges

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Payment processing charges	22,574	22,659	85	0.4%
Percentage of revenue from operations	69.8%	69.1%		

Our payment processing charges increased only marginally by 0.4% to ₹22,659 million for FY 2020 from ₹22,574 million for FY 2019 even though we had a 32% growth in our GMV in FY 2020 compared to FY 2019, primarily due to improvements in transaction rates from banks due to our scale, improved transaction routing due to technology and product interventions, and an increase in share of low cost payment instruments in our overall instrument mix.

Marketing and promotional expenses

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Marketing and promotional expenses	34,083	13,971	(20,112)	(59.0)%
Percentage of revenue from operations	105.5%	42.6%		

Our marketing and promotional expenses decreased by 59.0% to ₹13,971 million in FY 2020 from ₹34,083 million in FY 2019, primarily due to a decrease in cashbacks and brand marketing expenses set off marginally by increase in digital marketing expenses. This reduction was in line with our continued focus on driving efficiencies in all our marketing efforts.

Employee benefit expense

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Employee benefits expense	8,562	11,193	2,631	30.7%
Percentage of revenue from operations	26.5%	34.1%		

Our employee benefit expense increased by 30.7% to ₹11,193 million in FY 2020 from ₹8,562 million in FY 2019 primarily due to an increase in salaries paid during the year as there was an increase in our average on-roll employee headcount to 5,904 for the year FY 2020 from 4,999 for the year FY 2019. Our headcount increased as we expanded our technology, financial services and distribution teams towards the end of FY 2019, to support our growth, leading to an increase in salaries, bonus and incentives paid during the year. Our employee benefit expenses also increased with an increase in salaries paid to existing employees during the year. The increase in expense was significantly higher than the increase in average headcount because of higher proportion of headcount increase being in techonolgy team, and also due to increase in salaries of existing employees.

Software, cloud and data centre expenses

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Software, cloud and data centre expenses	3,096	3,603	507	16.4%
Percentage of revenue from operations	9.6%	11.0%		

Our software, cloud and data centre expenses increased by 16.4% to ₹3,603 million in FY 2020 from ₹3,096 million in FY 2019, primarily because we availed additional cloud and data centre services to support our growth and expansion.

Depreciation and amortization expense

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Depreciation and amortization expense	1,116	1,745	629	56.4%
Percentage of revenue from operations	3.4%	5.3%		

Our depreciation and amortization expense increased by 56.4% to ₹1,745 million in FY 2020 from ₹1,116 million in FY 2019, primarily due to an increase in our plant and machinery comprising POS machines and sound boxes by ₹1,261 million in FY 2020.

Finance costs

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Finance costs	342	485	143	41.8%
Percentage of revenue from operations	1.1%	1.5%		

Our finance costs increased by 41.8% to ₹485 million in FY 2020 from ₹342 million in FY 2019, primarily due to an increase in interest paid on borrowings as we utilized our credit limits under our short-term loans and working capital demand loans.

Other expenses

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
Expenses	*(₹ in millions, except percentages)*			
Other expenses	7,666	7,726	60	0.8%
Percentage of revenue from operations	23.7%	23.5%		

Our other expenses marginally increased by 0.8% to ₹7,726 million in FY 2020 compared to ₹7,666 million in FY 2019, primarily due to an increase in our expenses for connectivity and communication expenses, particularly SMS charges and increase in costs related to commerce businesses. These increases were partially set off by a decline in subcontract expenses.

Restated Loss for the Year

	FY			
	2019 (A)	**2020 (B)**	**Change (C= B-A)**	**% change (D= C/A)**
	(₹ in millions, except percentages)			
Restated Loss of the year	42,309	29,424	(12,885)	(30.5)%

As a result of the foregoing factors, our restated loss for FY 2020 decreased by 30.5% to ₹29,424 million from a loss of ₹42,309 million for FY 2019.

Our Key Financial and Operational Performance Indicators

The following table provides a snapshot of our key financial and operational performance indicators.

		As of and for the FY ended March 31,		
Particulars	**Metric**	**2019**	**2020**	**2021**
GMV	₹ billion	2,292	3,032	4,033
GMV growth	*%*	95.9%	32.3%	33.0%
Number of loans disbursed	*In thousands*	5	75	2,635
Revenue from operations	₹ million	32,320	32,808	28,024
- Payment and financial services	₹ million	16,955	19,068	21,092
- Commerce and cloud services	₹ million	15,365	11,188	6,932
- Other operating revenue	₹ million	-	2,552	-

Non-GAAP Financial Measures

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

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

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA is a Non-GAAP financial measure that represents our net loss, before depreciation and amortization expense, provision or benefit for income taxes, share based compensation expense, finance cost, other income, gain or loss from discontinued operations, exceptional items and share of profit/(loss) of associates/joint ventures.

Adjusted EBITDA margin is the percentage margin derived by dividing Adjusted EBIDTA by revenue from operations.

Our Adjusted EBITDA margin has been improving consistently over the last three fiscal years primarily due to (i) a reduction in the overall payment processing charges with an increase in the transaction volume on our platforms, and (ii) a reduction on customer acquisition, sales and marketing expenses. The improvement in these expenses have been partially offset by an increase in employee benefits expenses, which increased primarily due to an increase in our headcount in the technology, and sales and marketing teams to support our growth as we expanded our operations, including into in-store products and financial services.

The following table reconciles Adjusted EBITDA to our restated loss of the year.

		FY	
	2019	**2020**	**2021**
Adjusted EBITDA	*(₹ in millions, except percentages)*		
Restated Loss for the year (A)	(42,309)	(29,424)	(17,010)
Restated Loss for the year from discontinued operation (B)	(53)	-	-
Restated loss for the year from continuing operations (C=A-B)	**(42,256)**	**(29,424)**	**(17,010)**
Income Tax expense (D)	(65)	(158)	27
Exceptional items (E)	(825)	(3,047)	(281)
Share of restated profit / (loss) of associates / joint ventures (F)	146	(560)	(740)
Restated loss before share of profit/(loss) of associates/joint ventures, exceptional items and tax (G=C+D-E-F)	**(41,642)**	**(25,975)**	**(15,962)**
Finance costs (H)	342	485	348
Depreciation and amortization expense (I)	1,116	1,745	1,785
Other income (J)	3,477	2,599	3,844
EBITDA (K=G+H+I-J)	**(43,661)**	**(26,344)**	**(17,673)**
Share based payment expense (L)	1,546	1,661	1,125
Adjusted EBITDA (M=K+L)	**(42,115)**	**(24,683)**	**(16,548)**
Revenue from operations (N)	**32,320**	**32,808**	**28,024**
Adjusted EBITDA Margin (O=M/N)	**(130.3)%**	**(75.2)%**	**(59.0)%**

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings. As of March 31, 2021, we had ₹5,468 million in cash and cash equivalents, ₹23,296 million in other bank balances other than cash and cash equivalents and ₹1,472 million in investments in quoted debt instruments.

We believe that, after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for the next 12 months.

Cash Flows

The table below summarizes the statement of cash flows, as per our restated consolidated cash flow statements, for the years indicated:

		FY	
	2019	**2020**	**2021**
	(₹ in millions)		
Net cash (outflow) from operating activities	(44,759)	(23,766)	(20,825)
Net cash inflow/(outflow) from investing activities	19,110	(19,963)	19,298

	FY		
	2019	**2020**	**2021**
	(₹ in millions)		
Net cash inflow/(outflow) from financing activities	21,105	51,599	(2,221)

Operating Activities

Net cash outflow from operating activities for FY 2021 was ₹20,825 million, while our operating loss before working capital changes was ₹15,794 million. We had negative cash flows in FY 2021, primarily due to operating losses and on account of additional working capital requirement which was primarily attributable to an increase in other financial assets of ₹5,737 million and an increase in other current and non-current assets of ₹2,729 million which was partially offset by an increase in other financial liabilities of ₹2,669 million.

Net cash outflow from operating activities for FY 2020 was ₹23,766 million, while our operating loss before working capital changes was ₹23,569 million. We had negative cash flows in FY 2020, primarily due to operating losses and on account of additional working capital requirement which was primarily attributable to a decrease in other financial liabilities of ₹4,771 million which was partially offset by an increase in other current liabilities and contract liabilities of ₹3,496 million.

Net cash outflow from operating activities for FY 2019 was ₹44,759 million, while our operating loss before working capital changes was ₹41,601 million. We had negative cash flows in FY 2019, primarily due to operating losses and on account of additional working capital requirement which was primarily attributable to an increase in other current and non-current assets ₹8,481 million and an increase in other financial assets of ₹6,289 million, which was partially offset by an increase in other current liabilities and contract liabilities of ₹4,577 million and an increase in other financial liabilities of ₹4,494 million.

Investing Activities

Net cash inflow from investing activities for FY 2021 was ₹19,298 million, which primarily consisted of proceeds from the sale of current investments of ₹99,456 million, including the sale of mutual funds and redemption of debt instruments. This was partially offset by investment in bank deposits of ₹21,534 million and payment for purchase of investments of ₹67,468 million, including the purchase of mutual funds and of non-current investments.

Net cash outflow from investing activities for FY 2020 was ₹19,963 million, which primarily consisted of payment for purchase of investments of ₹79,603 million, including the purchase of mutual funds and debt instruments, and investments in bank deposits of ₹14,427 million. This was partially offset by proceeds from the sale of current investments of ₹73,352 million.

Net cash inflow from investing activities for FY 2019 was ₹19,110 million, which primarily included proceeds from sale of current investments ₹48,294 million, including the sale of mutual funds and redemption of debt instruments. This was partially offset by payment for the purchase of investments of ₹32,963 million, including the purchase of mutual funds.

Financing Activities

Net cash outflow from financing activities for FY 2021 was ₹2,221 million, and primarily included repayment of term loan of ₹729 million and net change in working capital demand loan of ₹847 million.

Net cash inflow from financing activities for FY 2020 was ₹51,599 million, and primarily included proceeds from the issue of shares of ₹50,540 million and proceeds from loan of ₹1,364 million.

Net cash inflow from financing activities for FY 2019 was ₹21,105 million, and primarily included proceeds from the issue of shares of ₹21,893 million which was partially offset by the acquisition of non-controlling interest of ₹369 million.

Indebtedness

As of March 31, 2021, we had total current borrowings of ₹5,449 million. We have a working capital demand loan of ₹435 million with an interest rate of 8.25% per annum which is generally repayable within seven days to 365 days. This loan is secured by a hypothecation on our current assets (excluding mutual funds, fixed deposits and bonds), lien on fixed deposits of ₹1,400 million and backed by an irrevocable personal guarantee by our Founder. Subsequent to March 31, 2021, the personal guarantee of our Founder was released and the lien on fixed deposits increased to ₹2,800 million. We also had a 'loan repayable on demand-bank overdraft' of ₹5,014 million (which included a loan of ₹5 million availed by one of our subsidiaries carrying an interest rate of 9.05% per annum) which carries a rate of interest in the range of 4.2% to 6.3% per annum. For further information on our agreements governing our outstanding indebtedness, see "***Financial Indebtedness***" beginning on page 380.

Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of March 31, 2021. These obligations primarily relate to our borrowings and trade payables.

	0-180 days	**181-365 days**	**1-2 years**	**More than 2 years**	**Total**
			(₹ in millions)		
Borrowings	5,449	-	-	-	5,449
Lease liabilities	136	139	201	520	996
Trade payables	6,052	-	-	-	6,052
Other financial liabilities	5,153	-	-	-	5,153
Total	**16,790**	**139**	**201**	**520**	**17,650**

Contingent Liabilities

The following table and notes below sets forth the principal components of our contingent liabilities as of March 31, 2019, March 31, 2020 and March 31, 2021 as per the Restated Financial Statements. For more details on contingent liabilities, see Note 29 of the Restated Financial Statements and "***Outstanding Litigation and Material Developments***" beginning on page 408.

(i)

		As of March 31,	
	2019	**2020**	**2021**
		(₹ in millions)	
Claims against the group not acknowledged as debt	64	465	476
Income tax related matters	-	-	16
Total	64	465	492

(ii) We will continue to assess the impact of further developments relating to retrospective application of Supreme Court judgement dated February 28, 2019 clarifying the definition of 'basic wages' under Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and deal with it accordingly. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Restated Financial Statements.

(iii) During the year ended March 31, 2021, we have been made aware of certain matters/claims relating to infringement of trademarks and patents in relation to the business activities carried on by it. We actively monitor such matters/claims along with appropriate legal/technology experts to assess their veracity and takes action as considered necessary. In the opinion of the management, no material liability is likely to arise on account of such matters/claims, based on assessments made to date.

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(1) it is not practicable for us to estimate the timing of cash outflows, if any.
(2) We do not expect any reimbursements in respect of the above contingent liabilities.

Cash Outflow for Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for POS devices, Soundboxes, servers, computer systems and peripherals and leasehold improvements. In FY 2019, FY 2020 and FY 2021, our estimated amount of capital expenditures under our contracts towards property, plant and equipment remaining outstanding and payable subject to execution were ₹403 million, ₹871 million and ₹3,724 million, respectively. Our capital expenditure has increased since FY 2019 primarily because of an increase in the cost of procuring the All-in-One Android POS devices that we launched in 2019 and the All-in-One Portable

Android Smart POS that we launched in 2020. We also incurred expenses to upgrade the capabilities of the Paytm Soundbox with the launch of Paytm Soundbox 2.0 in 2021.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. For further information see ***"Restated Financial Statements – Annexure V-Note 26-Related Party Transaction"*** on page 326 of this Draft Red Herring Prospectus.

Qualitative and Quantitative Disclosures about Financial Risk

Market risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk comprises three types of risks (i) interest rate risk, (ii) foreign currency risk, and (iii) price risk.

Interest Rate Risk
Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our borrowings with floating interest rates. The following table shows the sensitivity analysis of a 0.5% change in interest rates for the periods indicated:

	FY		
	2019	**2020**	**2021**
Effect on loss before tax:		*(₹ in millions)*	
Decrease by 50 basis points	(35)	(10)	(27)
Increase by 50 basis points	35	10	27

Price risk

We invest our surplus funds in various debt instruments, debt mutual funds and fixed deposits. These comprise of primarily debt based mutual funds, debentures and fixed deposits. Mutual fund investments are susceptible to market risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. A 0.25% increase in net asset value of mutual funds and debt instruments on our loss before tax was ₹(4) million as of March 31, 2021 and a 0.25% decrease in net asset value of mutual funds and debt instruments on our loss before tax was ₹4 million.

Foreign exchange risk

The Indian Rupee is our reporting currency. As a consequence, our results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. 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. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency).

The following table demonstrates the sensitivity of our profit or loss to a possible change in US dollars exchange rate, with all other variables held constant:

	Change in US dollar Rate	Effect on loss before tax
March 31, 2021	10% strengthening of USD against INR	20
	10% Weakening of USD against INR	(16)
March 31, 2020	10% strengthening of USD against INR	6
	10% Weakening of USD against INR	(5)
March 31, 2019	10% strengthening of USD against INR	(17)

	10% Weakening of USD against INR	14

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily trade receivables, and from our investing activities, including deposits with banks. We have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. All of our investments and loans at amortized cost are considered to have low credit risk, and the loss allowance recognized during the period was therefore limited to 12 months expected losses. We consider instruments to be low credit risk when they have a low risk of default and the issuer has the capacity to meet its contractual cash flow obligations in the near term.

Liquidity risk

Our objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans and others. We monitor our risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations. Our objective is to provide financial resources to meet our business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. We also monitors compliance with our debt covenants. For more details on our contractual obligations see "- *Contractual obligations*" above on page 404 .

Significant Economic Changes

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Principal Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*" beginning on page 35. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Draft Red Herring Prospectus, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

See "*Risk Factor – The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations"* for risks of the COVID-19 outbreak on our operations and financial condition on page 37.

Seasonality

Our operations are not impacted by seasonality.

Significant Developments after March 31, 2021 that may affect our future results of operations

Except as stated in this Draft Red Herring Prospectus, including under "***Outstanding Litigation and Material Developments – Material Developments***" to our knowledge, no circumstances have arisen since the date of the Restated Financial Statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

Split of face value of equity shares from ₹ 10 to ₹ 1

The Shareholders of our Company, at the annual general meeting held on June 30, 2021, have approved the sub-division of its existing authorised share capital comprising 104,106,600 equity shares of face value of ₹10 each to 1,041,066,000 equity shares of face value of ₹1 each. Consequently, the issued, subscribed and paid-up equity share capital comprising 60,538,527 equity shares of face value of ₹10 each to 605,385,270 equity shares of face value of ₹1 each with effect from June 30, 2021 (being the record date of the aforementioned sub-division).

The Shareholders of our Company, at the annual general meeting held on June 30, 2021, have approved subscription of optionally convertible debentures issued by VSS Holdings Private Limited, a company in which one of our Directors is interested, having a 10-year tenure and an interest rate of 15% p.a., up to an amount of approximately ₹4,919.4 million, in one or more tranches.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors, and our Subsidiaries ("**Relevant Parties**"). Further, there is no pending litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.*

Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on July 10, 2021 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where:

(i) *the claim / dispute amount, to the extent quantifiable, exceeds 1% of the revenue from operations of our Company on a consolidated basis for FY 2021 or 1% of the total net worth of our Company as of March 31, 2021, whichever is lower, as per the Restated Financial Statements would be considered 'material' for disclosure in this Draft Red Herring Prospectus; and*

(ii) *where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.*

1% of the revenue from operations of our Company on a consolidated basis for FY 2021 as per the Restated Financial Information is ₹280 million and 1% of the total net worth of our Company as of March 31, 2021 is ₹653 million. And accordingly, ₹280 million is the materiality threshold.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹303 million, which is 5% of the consolidated trade payables of our Company as of March 31, 2021 as per the Restated Financial Statements shall be considered as 'material'. Accordingly, as of March 31, 2021 as per the Restated Financial Statements, any outstanding dues exceeding ₹303 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Subsidiaries, our Directors or our Group Companies shall not be considered as litigation until such time that any of our Company, our Subsidiaries, our Directors or our Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

All terms defined in a particular litigation disclosure pertain to that litigation only.

I. Litigation involving our Company

A. Litigation filed against our Company

1. Criminal proceedings

1. A first information report dated May 16, 2015 ("**FIR**") has been filed against our Company by Mr. M.D. Feroze ("**Complainant**") at the Patamata Police Station, Vijayawada City, Andhra Pradesh owing to non-receipt of ₹46,860 by the vendor from whom the Complainant had purchased a laptop, by making payment using our Company's payment portal. The Complainant alleged that the transaction amount had been deducted from his account, although no such amount was received by our Company. Our Company, through letter addressed to the station house officer, Patamata Police

Station, Vijayawada City, Andhra Pradesh dated October 20, 2015, clarified that the aforementioned amount had not been received by our Company and further clarified that the account statements requested from the Complainant have not been provided by the Complainant. The matter is currently pending.

2. Two first information reports, each dated September 6, 2015, were filed against our Company ("**FIRs**") by Mr. Mukul Nihalani and Mr. Sushil Srivastava ("**Complainants**") with the Cyber and Hi-tech Crime Police Station, Bhopal alleging cheating, criminal conspiracy and fraud by, among others, our Company on account of illegal withdrawal of money from the Complainants' bank account. The FIRs state that the Complainants have been the victims of fraud committed by third parties using our Company's online payment portal, pursuant to which, certain amounts of money have been illegally and fraudulently withdrawn from each of their respective accounts. Consequently, they have initiated proceedings against our Company. The matters are currently pending.

3. Our Company has been served with a notice under Section 91 of the Code of Criminal Procedure, 1973 in relation to certain allegations levied by Mr. Ashok Saxena ("**Complainant**") against our Director, Mr. Vijay Shekhar Sharma. The said allegations pertain to, among others, alleged inducement of the Complainant to advance a certain amount of money to our Company, existence of an alleged agreement for allotment of certain shares of our Company to the Complainant until the money advanced by the Complainant was repaid, and misappropriation of such amount, along with non-appointment of the third director nominated by the Complainant and removal of the Complainant from the Company. ("**Allegations**"). The Notice required our Company to furnish a response to the relevant authorities at Kalkaji Police Station, Delhi. Our Company has duly responded to the Notice through correspondence dated June 29, 2021 denying all these allegations and clarifying that there was no such definitive agreement and nor was there any misappropriation of funds.

2. Outstanding actions by regulatory and statutory authorities

1. Our Company has received summons dated August 20, 2020 from the Enforcement Directorate, Hyderabad ("**ED Hyderabad**"), seeking our attendance in certain ongoing cases in relation to Prevention of Money Laundering Act, 2002. Further, the summons sought information in relation to, among others, know your customer compliance of certain companies and their transaction details. Our Company marked our attendance and responded to the summons through response dated August 22, 2020. Further, our Company has received a notice dated January 27, 2021 ("**Notice**") from the Office of the Joint Director, Directorate of Enforcement, Bengaluru ("**ED, Bengaluru**") in relation to ED, Bengaluru's ongoing investigations relating to certain Chinese loan apps. Pursuant to the Notice, ED, Bengaluru directed us to cease debit operations in relation to the entities mentioned in the Notice. Our Company, through correspondence dated February 5, 2021, furnished ED, Bengaluru with the information sought from us through the Notice. Further, we have received correspondences from various authorities such as ED Bengaluru, ED Hyderabad, Cyber Crime Police Station, Hyderabad and Deputy Superintendent of Police, Central Range, Bengaluru City, Financial Investigation Unit, Directorate General of GST Intelligence directing us to provide certain information, including, among others, information pertaining to allegations concerning running of gambling business, in relation to certain merchants, and to freeze/unfreeze their accounts. Our Company responds to such correspondences with the information/clarifications sought by the authorities. Additionally, Mr. Vijay Shekhar Sharma, our Chief Executive Officer has received summons dated February 4, 2021 from ED Hyderabad seeking his attendance in certain ongoing cases in relation to Prevention of Money Laundering Act, 2002. Further, the summons sought information in relation to applications providing loans and registered with our payment gateway. Our Company, through our Chief Financial Officer, marked our attendance and responded to the summons through response dated February 10, 2021 providing details as requested.

3. Material civil proceedings

For details of counter-claim filed against us by Easy Trip Planners Private Limited pursuant to initiation of arbitral proceedings by our Company against Easy Trip Planners Private Limited on January 9, 2019, please refer to "- ***Litigation filed by our Company – Material civil proceedings***" below.

4. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ million*)
Direct Tax	13	16.1
Indirect Tax	5	37,282.9*
Total	**18**	**37,299.0**

The disclosures are inclusive of the show cause notice dated December 29, 2020 issued by the Office of Deputy Commissioner, Noida, ("SCN**") to our Company in relation to the tax returns filed by our Company for the period between April 2020 – September 2020 ("**Period**"). The SCN alleged that due tax had not been paid under correct head and input tax credit had been wrongly claimed/availed and utilized by our Company by making wilful-mistatements and supersession of facts for the Period, and directed our Company to provide explanations in relation to the issues raised in the SCN. The SCN proposed to levy levied a tax demand comprising of a tax amount of Rs. 17,895.0 mn, and an interest and penalty of Rs.19,387.9 mn. Our Company, through reply dated January 14, 2021, responded to the SCN, and provided details and explanations sought in the SCN, and prayed before the Deputy Commissioner, Noida, among others, to drop the proposed tax demands raised in the SCN and hold the proceedings initiated pursuant to the SCN as not-sustainable and liable to be dropped.*

B. Litigation filed by our Company

1. Criminal proceedings

1. A first information report dated June 15, 2017 has been filed with the Patamata Police Station Vijayawada City, Andhra Pradesh pursuant to a complaint dated May 18, 2017 filed by our Company ("**Complaint**") against Mr. Syam Singh Kshatriya, Mr. Muhammad Jabeer, Mr. Muhammad Imran and Ms. Suman ("**Accused**"). Our Company has alleged in the Complaint that the Accused, in consultation and acting in concert, on the pretext of providing assistance in securing employment with the Company, have fraudulently and dishonestly induced job applicants to pay certain sums of money to the Accused. The matter is currently pending.

2. A first information report dated February 22, 2021 has been filed with the Cyber Crime Police Station, Hyderabad, pursuant to a complaint dated February 22, 2021("**Complaint**") filed by our Company against Mr. Hitesh Verma and certain unidentified persons ("**Accused**"). In the Complaint, our Company has alleged that the Accused have developed a spoofed version of our mobile application and have committed various offences such as, among others, criminal inducement, impersonation, misrepresentation, forgery, abetment and criminal conspiracy through the spoofed application. The matter is currently pending.

3. There are 18 cases filed by our Company under section 138 of the Negotiable Instruments Act, 1881, seeking claims aggregating to ₹61.2 million. These cases are pending at various stages before various forums.

2. Material civil proceedings

Our Company has initiated arbitral proceedings against Easy Trip Planners Private Limited ("**Respondent**"), a company engaged in the business of running an online travel booking portal. Pursuant to a market place agreement dated December 29, 2015 ("**Agreement**"), the Respondent sold airline tickets on the Company's online platform which acts as a facilitator for different businesses to sell their products to interested buyers. Our Company was entitled to a performance linked bonus, the provision for which, was incorporated in the Agreement by an addendum dated July 15, 2016, payable by the Respondent to our Company in respect of the sales made through our Company's platform. The Respondent failed to remit the performance linked bonus amounting to ₹ 7.4 million invoiced by our Company as per the terms of the Agreement, pursuant to which, our Company sent a notice dated May 23, 2017 for termination of the Agreement. Even after the termination of the Agreement, in accordance with the terms of the Agreement, our Company continued to refund certain amounts to the customers cancelling their tickets bought from the Respondent, through our Company's platform. Therefore, our Company initiated an arbitral proceeding on January 9, 2019, praying before the arbitral tribunal to, among other things, direct the Respondent to pay an aggregate amount of ₹53.1 million, including the amount refunded by our Company to the customers (as described above) and the accrued amount of performance linked bonus. In response thereto, on March 12, 2019, through a counter-claim, the Respondent has sought, among other things, an amount of ₹383.6 million in respect of the transactions performed pursuant to the Agreement. The matter is currently pending.

II. Litigation involving our Subsidiaries

A. Litigation filed against our Subsidiaries

1. Criminal proceedings

Nil

2. Actions by regulatory and statutory authorities

A first information report dated February 19, 2013, had been filed against our Subsidiary, Nearbuy India Private Limited ("**Nearbuy**"), by the Excise Sub-Inspector, Bangalore, alleging publication of an advertisement of alcohol on Nearbuy's website in violation of the extant excise laws. In response thereto, Nearbuy has preferred a petition before the High Court of Karnataka at Bangalore ("**High Court**") in June, 2013, claiming that the website on which the said advertisement was allegedly published, is Nearbuy's portal to enable the users to market their products and it does not buy or offer for sale the goods on its own behalf, limiting the operations to marketing. Nearbuy has claimed that there has not been any violation of excise laws in the current case, and has therefore prayed before the High Court to quash the proceedings initiated by the excise department. The matter is currently pending.

3. Material civil proceedings

Nil

4. Tax proceedings

Domestic Subsidiaries

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ million*)
Indirect Tax	1	Nil
Direct Tax	4	Nil
Total	**5**	**Nil**

Foreign Subsidiaries

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ million*)
Indirect Tax	2	0.1
Direct Tax	15	143.0
Total	**17**	**143.1**

B. Litigation filed by our Subsidiaries

1. Criminal proceedings

A first information report dated May 6, 2016 has been filed by Nearbuy at the Ambedkar Nagar Police Station, South East, Delhi ("**FIR**") against, among others, certain officers of Y R Logistics Services Private Limited ("**Respondents**"). Nearbuy has claimed in the FIR that the Respondents approached Nearbuy claiming to be proficient in the business of collecting money/payables from customers, and entered into an agreement with Nearbuy to collect the outstanding payables from Nearbuy's customers on its behalf. However, despite repeated intimations and communications from Nearbuy, the Respondents illegally evaded making the payment of money collected in accordance with the agreement to Nearbuy. In furtherance of the FIR, Nearbuy has filed a petition before the Court of Chief Metropolitan Magistrate, Saket District Court, Delhi to direct the police authorities to expedite the investigative process in the case. The matter is currently pending.

2. Material civil proceedings

Nil

III. Litigation involving our Directors

A. Litigation filed against our Directors

Mr. Vijay Shekhar Sharma

1. Criminal proceedings

Multiple complaints were initiated against, among others, our Director, Mr. Vijay Shekhar Sharma, alleging fraud, pursuant to the complainants falling prey to alleged fraudulent transactions committed by third parties, purportedly either posing as the employees of our Company, or using our Company's platform. Acting on the complaints, Cyber & Hi-tech Crime Police Station, Bhopal registered 7 first information reports ("**FIRs**") against Mr. Sharma, pursuant to which, Mr. Sharma preferred applications under S.482 of the Criminal Procedure Code, 1973 ("**Applications**") in 2015 before the High Court of Madhya Pradesh ("**High Court**"). While the investigating authorities, through their correspondences, have conveyed that Mr. Sharma has been discharged from the FIRs, the Applications are pending adjudication.

2. Outstanding actions by regulatory and statutory authorities

1. For details in relation to receipt of summons dated February 4, 2021 from the Enforcement Directorate, Hyderabad by Mr. Vijay Shekhar Sharma, please refer to "***Litigation involving our Company – Litigation filed against our Company – Outstanding actions by regulatory and statutory authorities***"

3. Material civil proceedings

Nil

4. Tax proceedings

Nil

B. Litigation filed by our Directors

1. Criminal proceedings

Nil

2. Material civil proceedings

Nil

IV. Material Litigations involving our Group Companies

Our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

Outstanding dues to creditors

As per the Restated Financial Statements, 5% of our trade payables as at March 31, 2021, was ₹ 303 million and accordingly, creditors to whom outstanding dues exceed ₹ 303 million have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2021, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved *(in ₹ million)*
Material creditors (Note 1 and 2 below)	-	-
Micro, Small and Medium Enterprises	76	34
Other creditors	3,097	2,316
Total*	3,173	**2,350**

**This does not include provision for expenses amounting to ₹3,702 million. Out of this provisioned amount, following amounts exceed the threshold criteria as per the Materiality Policy of the Company:*

1.Provision for expenses amounting to ₹ 408 million (excluding ₹ 17 million which is included in dues to "other creditors" in the table above) in respect of services availed from Amazon Internet Services Private Limited; and

2. Provision for expenses of ₹337 million in respect of services availed from Alipay Labs (Singapore) Pte. Ltd.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2021***" on page 406, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, registrations and permits issued by relevant governmental and regulatory authorities under applicable rules and regulations. We have set out below an indicative list of all material approvals, licenses, registrations and permits obtained by our Company and our Subsidiaries, as applicable, for the purposes of undertaking their respective businesses and operations. Further, certain material approvals relating to our Group Company, Paytm Payments Bank, have also been included. Except as mentioned below, no further material approvals, licenses, registrations and permits are required to undertake the Offer or to carry on the present business and operations of our Company, our Subsidiaries (as disclosed below) or Paytm Payments Bank. Unless otherwise stated herein and in the section "**Risk Factors**" on page 35, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies in India**" on page 197.*

We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Draft Red Herring Prospectus.

I. Material approvals obtained in relation to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see "***Other Regulatory and Statutory Disclosures – Authority for the Offer***" on page 419.

II. Material approvals obtained in relation to our business and operations

Our Company, our Subsidiaries and our Group Company, Paytm Payments Bank, have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

A. Incorporation details of our Company

(i) Certificate of incorporation dated December 22, 2000, issued to our Company by the RoC, in the name of 'One 97 Communications Private Limited'.

(ii) Fresh certificate of incorporation dated May 12, 2010, issued by the RoC pursuant to the conversion of our Company to a public limited company and consequential change in our name from 'One 97 Communications Private Limited' to 'One 97 Communications Limited'.

B. Regulatory approvals

(i) *Regulatory approvals obtained by our Company*

a. We have obtained licenses from the Bureau of Indian Standards ("**BIS**"), to use the standard mark, as prescribed by BIS, on our products which are manufactured at such units and are of such brands and models as have been specified in the respective licenses under the Bureau of Indian Standards Act, 2016.

b. We have obtained certificates of registration from the Ministry of Consumer Affairs, Food and Public Distribution, Government of India to act as a manufacturer/packer and/or importer, as applicable, of our products which have been specified in the respective certificates of registration under the Legal Metrology (Packaged Commodities) Rules, 2011.

c. Certificates of registration dated April 9, 2020 issued by Vodafone Idea Limited as a 'telemarketer aggregator' under the Telecom Commercial Communications Customers Preference Regulations, 2018, bearing registration number 1502598990000011397, valid till April 8, 2025.

d. Certificates of registration dated April 16, 2020 issued by BSNL as a 'telemarketer delivery' under the Telecom Commercial Communications Customers Preference Regulations, 2018, bearing registration number 1402567490000015616, valid till April 15, 2025.

e. Certificates of registration dated August 19, 2020 issued by Bharti Airtel to act as a 'telemarketer' under the Telecom Commercial Communications Customers Preference Regulations, 2018, bearing registration number 1402567490000015616, valid till August 18, 2025.

f. Our importer – exporter code is 0505069687, issued by the Directorate General of Foreign Trade, Government of India.

(ii) *Regulatory approvals obtained by our Subsidiary, Paytm Money*

a. Certificate of Registration dated June 11, 2019, issued by SEBI to act as a 'participant' under the SEBI (Depositories and Participants) Regulations, 1996, bearing registration number IN-DP-416-2019, valid until suspended or cancelled by the SEBI. At present, Paytm Money Limited is registered as a depository participant of the Central Depository Services (India) Limited bearing DP ID 12088800.

b. Certificate of Registration dated February 21, 2018, issued by SEBI to act as an 'investment advisor' under the SEBI (Investment Advisers) Regulations, 2013, bearing registration number INA100009859, valid until suspended or cancelled by the SEBI. Paytm Money has discontinued advisory services with effect from March 31, 2021.

c. Certificate of Registration dated March 15, 2019, issued by SEBI to act as a 'stock broker' under the SEBI (Stock Brokers) Regulations, 1992, bearing registration number INZ000240532, valid until suspended or cancelled by the SEBI.

d. Registration to act as a trading member of BSE in the cash, equity derivatives and currency derivatives segments in accordance with the rules, bye-laws and regulations of BSE, in this regard, bearing member number 6707.

e. Registration to act as a trading member of NSE in the capital markets, future and options, currency derivatives, commodities derivatives and debt segments in accordance with the rules, bye-laws and regulations of NSE, in this regard, bearing member number 90165.

f. Registration dated February 10, 2020 to act as a self-clearing member of Indian Clearing Corporation Limited in the equity derivatives and currency derivatives segment of BSE, bearing clearing code 6707.

g. Certificate of Registration dated April 4, 2019, issued by PFRDA to act as a 'point of presence' to transact in pension schemes and/or under the National Pension Scheme through online platform only under the PFRDA (Point of Presence) Regulations, 2018, bearing registration number POP 269042019, valid until suspended or cancelled by PFRDA.

(iii) *Regulatory approvals obtained by our Subsidiary, Paytm Insurance Broking*

a. Certificate of Registration dated February 17, 2020, issued by IRDAI to act as a 'direct broker (life and general)' under the IRDAI (Insurance Brokers) Regulations, 2018, bearing registration number 700 and registration code IRDA/DB795/19, valid till February 16, 2023.

b. Certificate of Registration dated September 9, 2020 to act as a 'telemarketer' under the Telecom Commercial Communications Customers Preference Regulations, 2018, bearing registration number 1002199150571422939, valid till September 8, 2025.

(iv) *Regulatory approvals obtained by our Group Company, Paytm Payments Bank*

a. License dated January 3, 2017, issued by RBI to carry on payments bank business in India under the Banking Regulation Act, 1949, bearing license number MUM: 127, valid until revoked by RBI.

b. Approval letter dated February 2, 2017, issued by RBI for issuance of pre-paid payment instruments in India under the Payment and Settlement Systems Act, 2007.

c. License dated October 12, 2017, issued by RBI to act as an 'authorised dealer- category II' under the Foreign Exchange Management Act, 1999, bearing license number 09/2017, valid until revoked by RBI and co-terminus with the payments bank license, mentioned above.

d. Licenses dated February 23, 2021, issued by RBI to undertake inward cross-border money transfer activities in India through tie up arrangements with three overseas principals specified in each of the three licenses under the Master Direction- Money Transfer Service Scheme dated February 22, 2017, each bearing license number FE.DEL.AD CAT-II No 09/2017, valid till February 28, 2022.

e. In- principle approval letter dated May 22, 2018, issued by RBI for operating as a 'Bharat bill payment operating unit' in accordance with the Implementation of Bharat Bill Payment System-Guidelines dated November 28, 2014.

f. Approval letter dated February 2, 2017 issued by RBI to operate mobile banking services specified therein in accordance with the Mobile Banking Transactions in India – Operative Guidelines for Banks dated July 1, 2016.

g. Approval letter dated February 11, 2019 issued by RBI to undertake parabanking activities of non-risk sharing simple financial products like distribution of mutual fund units, insurance products, pension funds etc. not requiring any commitment of its own funds

h. Approval letter dated February 22, 2021 issued by SEBI for enabling IPO applications through @paytm handle with UPI as a payment mechanism.

i. Approval, pursuant to an e-mail dated April 9, 2020 by NPCI to use UPI 2.0.

j. Certificates of Completion issued by NPCI for full compliance of the following scopes by Paytm Payments Bank, i.e., i) 'IMPS, Spec version 3.5'; and ii) 'IMPS Spec version 3.4.1.1' and to authorise the use certain specified features for its customers.

k. Membership agreements entered into with NPCI for admission as a member of RuPay Card Scheme, BHIM, NACH, AeCS and NETC in accordance with the rules and regulations of NPCI, in this regard.

l. Certificate of Registration dated October 5, 2018 issued by PFRDA to act as a 'point of presence' to transact in pension schemes and/or under the Atal Pension Yojana through both, physical and online platforms under the PFRDA (Point of Presence) Regulations, 2018, bearing registration number 85102018, valid until suspended or cancelled by PFRDA.

m. Approval letter dated September 6, 2017, issued by Unique Identification Authority of India for appointment as an authentication user agency and e-KYC user agency to provide Aadhaar Enabled Services.

n. Registration with the Central KYC registry by the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.

C. Labour and commercial related approvals obtained by our Company

(i) Registration certificates under the relevant shops and establishment laws of the respective states where our branches are located.

(ii) Registration certificates issued under the EPF Act and the ESI Act.

(iii) Registration certificates issued under the Contract Labour Act by the relevant authorities of the respective states where our branches are located, as applicable.

D. Tax related approvals obtained by our Company

(i) The PAN of our Company is AAACO4007A.

(ii) The TAN of our Company is DELO01395C.

(iii) Registration certificates issued under the relevant goods and service tax acts, (including registration as e-commerce operator), and the professional tax acts of the respective states where our branches are located.

III. Material approvals pending in relation to our Company for which applications have been made or are yet to be made

As on the date of this Draft Red Herring Prospectus, we currently hold all aforementioned material approvals, licenses, registrations and permits, as required, except the following for which the applications for obtaining the approval or its renewal are currently pending before the relevant authorities or are yet to be made:

A. Material approvals or renewals for which applications are currently pending before relevant authorities

Applicant entity	Description	Authority	Date
Applications submitted by our Subsidiaries			
Paytm Money Limited	Certificate of registration to act as a corporate agent under the IRDAI (Registration of Corporate Agent) Regulations, 2015	IRDAI	December 15, 2020
Paytm Payments Services Limited	Authorization for acting as a payment aggregator under the Payment and Settlement Systems Act, 2007 read with the Guidelines on Regulation of Payment Aggregators and Payment Gateways dated March 17, 2020	RBI	December 29, 2020 (submitted on January 8, 2021)
Applications submitted by our Group Company, Paytm Payments Bank			
Paytm Payments Bank	Inclusion in the Second Schedule of the Reserve Bank of India Act, 1934	RBI	December 13, 2019
	Certificate of registration to act as a corporate agent under the IRDAI (Registration of Corporate Agent) Regulations, 2015	IRDAI	November 5, 2020

Further, our Company has filed and is in the process of filing applications in relation to the approvals obtained by our Company under the relevant shops and establishment laws and Contract Labour Act with the state specific relevant authorities, as applicable, for updating the name of our Company in the records of such relevant authorities and/or renewal of our registration, as required.

B. Material approvals expired and renewal yet to be applied for

Nil

C. Material approvals required but not obtained or applied for

Nil

IV. Intellectual property related approvals

As on the date of this Draft Red Herring Prospectus, our Company has registered various trademarks under various classes with the Registrar of Trademarks under the Trademarks Act. These include:

S.No.	Trademark	Classes of registration
1.	"PAYTM"	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36,37, 38, 39, 40,41, 42, 43, 44, 45
2.	"PAYTM KARO"	9, 16, 18, 25, 35, 36, 38, 39,41, 42, 43, 44
3.		9, 16, 18, 35, 36, 38, 39, 41, 42, 43

4.	Paytm Payments Bank	9, 16, 35, 36, 38, 42
5.	one97	38
6.	₹ Paytm Money	9, 35, 36, 41, 42

Further, as on the date of this Draft Red Herring Prospectus, our Company has registered certain trademarks in the European Union and the United Arab Emirates, including the Paytm name, with the relevant authorities under the applicable laws of the respective jurisdictions.

For risk associated with our intellectual property please see, "***Risk Factors – We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights***" on page 55.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

Our Board has authorized the Offer pursuant to its resolution dated June 14, 2021 and our Shareholders have authorized the Fresh Issue pursuant to a special resolution passed on July 12, 2021 under Section 62(1)(c) of the Companies Act, 2013.

Our IPO Committee has taken on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated July 15, 2021.

The Draft Red Herring Prospectus has been approved and adopted for filing with SEBI and the Stock Exchanges by our Board pursuant to its resolution dated July 14, 2021 and by the IPO Committee by the resolution dated July 15, 2021.

Approvals from the Selling Shareholders

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

S. No.	Selling Shareholder	Maximum number of Offered Shares	Date of Selling Shareholder's Consent Letter	Date of corporate authorisation/ board resolution
Founder Selling Shareholder				
1.	Mr. Vijay Shekhar Sharma	[●]	July 15, 2021	-
Investor Selling Shareholders				
1.	Antfin (Netherlands) Holding B.V.	[●]	July 15, 2021	July 11, 2021
2.	Alibaba.com Singapore E-Commerce Private Limited	[●]	July 15, 2021	July 12, 2021
3.	Elevation Capital V Limited	[●]	July 15, 2021	June 25, 2021
4.	Elevation Capital V FII Holdings Limited	[●]	July 15, 2021	June 28, 2021
5.	SAIF III Mauritius Company Limited	[●]	July 15, 2021	June 28, 2021
6.	SAIF Partners India IV Limited	[●]	July 15, 2021	June 25, 2021
7.	SVF Panther (Cayman) Limited	[●]	July 15, 2021	July 14, 2021
8.	BH International Holdings	[●]	July 15, 2021	July 9, 2021
Other Selling Shareholders				
1.	Mountain Capital Fund, L.P.	[●]	June 24, 2021	June 24, 2021
2.	RNT Associates Private Limited	[●]	June 17, 2021	June 17, 2021
3.	DG PTM LP	[●]	June 17, 2021	June 17, 2021
4.	Mr. Ravi Datla	[●]	June 15, 2021	-
5.	Mr. Varun Gupta	[●]	June 17, 2021	-
6.	Mr. Amit Khanna	[●]	June 18, 2021	-
7.	Mr. Prakhar Srivastava	[●]	June 17, 2021	-
8.	Mr. Narendra Singh Yadav	[●]	June 16, 2021	-
9.	Mr. Abhishek Arun	[●]	June 15, 2021	-
10.	Mr. Shapath Parikh	[●]	June 28, 2021	-
11.	Ms. Muskaan Parikh	[●]	June 28, 2021	-
12.	Mr. Saurabh Sharma	[●]	June 17, 2021	-
13.	Mr. Manas Bisht	[●]	June 30, 2021	-
14.	Mr. Sanjay S. Wadhwa	[●]	June 28, 2021	-
15.	Mr. SasiRaman Venkatesan	[●]	June 28, 2021	-
16.	Mr. N. Ramkumar	[●]	June 28, 2021	-
17.	Mr. Abhay Sharma	[●]	June 21, 2021	-
18.	Mr. Krishna Kumar Rathi	[●]	June 22, 2021	-

Each Selling Shareholder, severally and not jointly, confirms that, as required under Regulation 8 of the SEBI ICDR Regulations, it has held its portion of the Offered Shares for a period of at least one year prior to the filing of this Draft Red Herring Prospectus.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by the SEBI, the RBI or other Governmental Authorities

Our Company, Directors, persons in control of our Company are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Each Selling Shareholder, severally and not jointly, confirms that it is not prohibited from accessing the capital markets or restrained from buying, selling or dealing in securities, in any case under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Directors associated with the Securities Market

Except for our Directors, Mr. Ravi Adusumalli who is associated with Elevation Capital V FII Holdings Limited as director, and Mr. Munish Varma, who is associated as chief executive officer, chairman and director of SVF Investment Corp. 2 and as managing partner at SoftBank Investment Advisers, none of our directors are associated with securities market in any manner.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Except as stated in "***Risk Factors – Internal Risk Factors - Failure to comply with the existing laws and regulations applicable to our business could subject our Company, or our subsidiaries or our associates or our shareholders, as applicable, to enforcement actions and penalties and otherwise harm our business***" on page 46, our Company and each of the Selling Shareholders, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended ("**SBO Rules**"), to the extent applicable to it, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations which states the following:

"*An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.*"

We are an unlisted company that does not satisfy the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions detailed of Regulation 6(2) of the SEBI ICDR Regulations. We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations as at least 75% of the Net Offer is proposed to be Allotted to QIBs and in the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company confirms that it is also in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delay period. For the avoidance of doubt, all refunds made, interest borne, and expenses incurred (with regard to delayed payment of refunds), by the Company on behalf of any of the Selling Shareholders (if any) to the extent of the Equity Shares offered by such Selling Shareholder in the Offer, will be adjusted or reimbursed by such Selling Shareholder (severally and not jointly) to the Company, in accordance with Applicable Law, provided that none of the Selling Shareholders shall be liable or responsible to pay any interest or expenses unless such delay is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

(a) Neither our Company nor our Directors nor any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.
(b) None of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
(c) Neither our Company nor any of our Directors has been declared a Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
(d) None of our Directors is a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act).
(e) Except for the options granted pursuant to the ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus. For further information on the ESOP Schemes, see "***Capital Structure***" on page 94.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE JOINT GLOBAL CO-ORDINATORS AND THE BOOK RUNNING LEAD MANAGERS BEING MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED, GOLDMAN SACHS (INDIA) SECURITIES PRIVATE LIMITED AND AXIS CAPITAL LIMITED AND THE BOOK RUNNING LEAD MANAGERS, BEING, ICICI SECURITIES LIMITED, J.P. MORGAN INDIA PRIVATE LIMITED, CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED AND HDFC BANK LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE, SEVERALLY AND NOT JOINTLY, RESPONSIBLE FOR THE STATEMENTS CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND FOR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE JOINT GLOBAL CO-ORDINATORS AND THE BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE JOINT GLOBAL CO-ORDINATORS AND THE BOOK RUNNING LEAD MANAGERS, AND THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 15, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO

TAKE UP, AT ANY POINT OF TIME, WITH THE JOINT GLOBAL CO-ORDINATORS AND THE BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders, JG BRLMs and BRLMs

Our Company, our Directors, the JGC-BRLMs and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance, and anyone placing reliance on any other source of information, including our Company's website www.paytm.com or any website of any of our Subsidiaries, any affiliate of our Company, any of the Group Companies or any of the Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale. Each of the Selling Shareholders, its respective directors, partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those undertaken or confirmed by such Selling Shareholder in relation to itself and its respective portion of the Offered Shares.

The JGC-BRLMs and the BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each of the Selling Shareholders, severally and not jointly (to the extent that the information pertain to its and its respective portions of the Offered Shares through the Offer Documents), the JGC-BRLMs and the BRLMs to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

None amongst our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The JGC-BRLMs, the BRLMs and their respective associates and affiliates, in their capacity as principals or agents, may engage in transactions with, and perform services for, our Company, the Selling Shareholders, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi, India.

This Offer is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("**AIFs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Delhi, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Our Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an "offshore transaction" in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act.

Eligible Investors

The Equity Shares are being offered and sold:

(i) in the United States or to, or for the account or benefit of, U.S. Persons, in each case to investors that are both U.S. QIBs and QPs, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) the U.S. Investment Company Act; and

(ii) outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account or benefit of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it exercises sole investment discretion; the purchaser, and each account for which it is purchasing or otherwise aquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency.

4. The purchaser acknowledges that the Company has not registered, and does not intend to register, as an "investment company" (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company, the JGC-BRLMs and the BRLMs shall have the right to request and receive such additional documents, certificates, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;

5. the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of issuers unaffiliated with such broker-dealer;

6. the purchaser understands that, subject to certain exceptions, to be a QP, entities must have US$25 million in "investments" (as defined in Rule 2a51-1 of the U.S. Investment Company Act);

7. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

8. the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

9. the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;

10. the purchaser, and each account for which it is purchasing or otherwise acquisring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency;

11. it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;

12. if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S Investment Company Act pursuant to Section 3(c)(1) or Section 3(c)(7) thereof (or a foreign investment company under section 7(d) thereof relying on Section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;

13. the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both U.S, QIBs and QPs;

14. the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both U.S. QIBs and QPs);

15. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S under the Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE). The purchaser agrees not to effect any sale, pledge or other transfer of any Equity Shares in a transaction unless the purchaser first executes a US Resale Letter in the form of Annexure A to this Draft Red Herring Prospectus and delivers such letter to the Company prior to the settlement if any, of the sale, pledge or other transfer of the Equity Shares that is not consummated on BSE or NSE. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

16. is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

17. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;

18. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

19. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or "general solicitation" or "general advertising" (within the meaning of Rule 502(c) under the Securities Act), in the United States in connection with any offer or sale of the Equity Shares;

20. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN "OFFSHORE TRANSACTION" COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

21. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;

22. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

23. the purchaser understands and acknowledges that our Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes , in part, any entity that would be an investment company under the U.S. Investment Company Act but for the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered a "covered fund". Accordingly, "banking entities" that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption under the Volcker Rule. Each purchaser must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;

24. the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and

25. the purchaser acknowledges that the Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account

and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an “offshore transaction” meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, is a non-U.S. Person and was located outside the United States at each time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;

5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or the NSE) The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;

7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

   THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE- ARRANGEMENT OR OTHERWISE IN AN “OFFSHORE TRANSACTION” COMPLYING WITH RULE 903 OR RULE 904 OF

REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.

THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

9. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;

10. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

11. the purchaser understands and acknowledges that our Company may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule includes , in part, any entity that would be an investment company under the U.S. Investment Company Act but for the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered a “covered fund”. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption under the Volcker Rule. Each purchaser must make its own determination as to whether it is a “banking entity” subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

12. the purchaser acknowledges that the Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each Member State of the European Economic Area and the United Kingdom (each a “Relevant State”), no Equity Shares have been offered or will be offered pursuant to the Offer to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulations;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the JGC-BRLMs and the BRLMs for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulations, provided that no such offer of Equity Shares shall require the Company, the Selling Shareholders or any JGC-BRLM or BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulations.

For the purposes of this provision, the expression an "offer to the public" in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

The Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

ERISA considerations

The following is a summary of certain considerations associated with the purchase and holding of Equity Shares by Benefit Plan Investors. A "Benefit Plan Investor" is (1) an "employee benefit plan" (as defined in Section 3(3) of the United States Employee Retirement Income Security Act, as amended ("ERISA")) that is subject to Title I of ERISA, (2) a plan, individual retirement account, "Keogh" plan or other arrangement subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "Code"), or provisions under any United States federal, state or local laws, or non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA, (3) an entity whose underlying assets are considered to include "plan assets" by reason of a plan's investment in such entity (including but not limited to an insurance company general account) (each of (1), (2) and (3), a "Plan"), and (4) any entity that otherwise constitutes a "benefit plan investor" within the meaning of the regulations promulgated under ERISA by the U.S. Department of Labor (the "DOL"), as modified by Section 3(42) of ERISA (the "DOL Plan Asset Regulations").

The following is merely a summary, however, and should not be construed as legal advice or as complete in all relevant respects. All investors are urged to consult their own legal advisors before investing assets of a Plan in Equity Shares and to make their own independent decision.

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code and prohibit certain transactions involving the assets of a Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Plan or the management or disposition of the assets of such a Plan, or who renders investment advice for a fee or other compensation to such a Plan, is generally considered to be a fiduciary of the Plan.

In considering an investment in Equity Shares with a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any similar law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable United States federal, state or local laws, or non-U.S. or other laws or regulations that are similar to the Code or ERISA (collectively, "Similar Laws").

Prohibited Transaction Considerations

Section 406 of ERISA and Section 4975 of the Code prohibit Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of Section 406 of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is

available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and may result in the disqualification of an individual retirement account. In addition, the fiduciary of the Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code.
Regardless of whether or not the underlying assets of our Company (if any) are deemed to include "plan assets," as described below, the acquisition and/or holding of Equity Shares by a Plan with respect to which our Company or an underwriter is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the DOL has issued prohibited transaction class exemptions, or PTCEs, that may apply to the acquisition and holding of Equity Shares. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan receives no less, and pays no more, than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied or that any such exemptions will be available with respect to investments in interests in any Equity Shares.

Plan Asset Considerations

The DOL Plan Asset Regulations generally provide that when a Plan acquires an equity interest in an entity that is not (1) a "publicly-offered security," (2) a security issued by an investment company registered under the Investment Company Act, or (3) an "operating company," the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established that the equity participation in the entity by Benefit Plan Investors is not "significant" (the "Insignificant Participation Test").

For purposes of the DOL Plan Asset Regulations, an "operating company" is an entity that is primarily engaged, directly or through a majority-owned subsidiary or subsidiaries, in the production or sale of a product or service, other than the investment of capital. It is anticipated that our Company will qualify as an operating company within the meaning of the DOL Plan Asset Regulations, although no assurance can be given in this regard.

For purposes of the Insignificant Participation Test, the DOL Plan Asset Regulations provide that equity participation in an entity by Benefit Plan Investors is not significant if, immediately after the most recent acquisition of an equity interest in the entity, the Benefit Plan Investors' aggregate interest is less than 25% of the value of each class of equity interests in the entity, disregarding, for purposes of such determination, any interests held by any person that has discretionary authority or control with respect to the assets of our Company or who provides investment advice for a fee with respect to the assets of our Company or an affiliate of our Company (each, a "Controlling Person") other than Benefit Plan Investors. Following this offering, it is possible that Benefit Plan Investors will hold and will continue to hold, less than 25% of the value of each class of equity interests of our Company, disregarding, for purposes of such determination, any interests held by any Controlling Person other than Benefit Plan Investors and, as such, that our Company may rely on the Insignificant Participation Test; however, we cannot be certain or make any assurance that this will be the case.

Plan Asset Consequences

If assets of our Company were deemed to constitute "plan assets" pursuant to the DOL Plan Asset Regulations, the operation and administration of our Company would become subject to the requirements of ERISA, including the fiduciary duty rules and the "prohibited transaction" prohibitions of ERISA, as well as the "prohibited transaction" prohibitions contained in the Code. If our Company becomes subject to these regulations, unless appropriate administrative exemptions are available (and there can be no assurance that they would be), our Company could, among other things, be restricted from entering into otherwise favorable transactions, and certain transactions entered into by our Company in the ordinary course of business could constitute non-exempt prohibited transactions and/or breaches of applicable fiduciary duties under ERISA and/or the Code, which could, in turn, result in potentially substantial excise taxes and other penalties and liabilities under ERISA and the Code.

Representation

Because of the foregoing, Equity Shares should not be acquired or held by any Benefit Plan Investor or any other person investing "plan assets" of any Plan, unless such acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code and will not constitute a similar violation of any applicable Similar Law.

Any purchaser or subsequent transferee, including, without limitation, any fiduciary purchasing on behalf of a Plan, a Benefit Plan Investor, or a governmental, church or non-U.S. plan which is subject to Similar Laws will be deemed to have represented and warranted, in its corporate and fiduciary capacity, that if the purchaser or subsequent transferee is a Benefit Plan Investor, none of our Company or the underwriters or any of their respective affiliates, has acted as the Plan's fiduciary (within the meaning of ERISA or the Code), or has been relied upon for any advice, with respect to the purchaser or transferee's decision to acquire and hold Equity Shares, and shall not at any time be relied upon as the ERISA Plan's fiduciary with respect to any decision to acquire, continue to hold or transfer Equity Shares.

The foregoing discussion is general in nature, is not intended to be all-inclusive. Such discussion should not be construed as legal advice. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering investing in Equity Shares on behalf of, or with the assets of, any Plan consult with counsel regarding the potential applicability of ERISA, Section 4975 of the Code and Similar Laws to such investment and whether an exemption would be applicable to the acquisition and/or holding of Equity Shares.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for listing and trading of the Equity Shares. [•] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. For the avoidance of doubt, all refunds made, interest borne, and expenses incurred (with regard to delayed payment of refunds), by the Company on behalf of any of the Selling Shareholders (if any) to the extent of the Equity Shares offered by such Selling Shareholder in the Offer, will be adjusted or reimbursed by such Selling Shareholder (severally and not jointly) to the Company, in accordance with Applicable Law, provided that none of the Selling Shareholders shall be liable or responsible to pay any interest or expenses unless such delay is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder.

Consents

Consents in writing of each the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal counsels, the JGC-BRLMs, the BRLMs, the Registrar to the Offer, the industry report provider, independent chartered accountant have been obtained; and consents in writing of the Syndicate Members, Monitoring Agency, the bankers to our Offer to act in their respective capacities, will be obtained. Such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 15, 2021 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report, dated July 14, 2021 on our Restated Financial Statements in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, as amended.

Capital issue during the previous three years by our Company Subsidiaries/ Group Companies/ Associates

Except as disclosed in "***Capital Structure – Notes to Capital Structure***" on page 94, our Company, our Subsidiaries, Group Companies and associates have not made any capital issues during the previous three years.

Particulars regarding public or rights issues during the last five years

There have been no public issues, including any rights issues undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues in the five years preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* Objects – Public/ rights issue of the listed Subsidiaries of our Company

None of our Subsidiaries are listed on any stock exchange.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Commission or brokerage on previous issues in last five years

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Price information of past issues handled by the JGC-BRLMs and BRLMs

(i) Morgan Stanley India Company Private Limited

- Price information of past issues handled by Morgan Stanley India Company Private Limited

Serial Number	Issue Name	Issue Size[1] (` Mn.)	Issue Price (`)	Listing Date	Opening Price on Listing Date	% Change in closing price, (% change in closing benchmark[2]) - 30th calendar day from listing [(3) (4) (5)]	% Change in closing price, (% change in closing benchmark[2]) - 90th calendar day from listing [(3) (4) (5)]	% Change in closing price, (% change in closing benchmark[2]) - 180th calendar day from listing [(3) (4) (5)]
1.	-	-	-	-	-	-	-	-

Notes:

1. *Issue Size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point*
2. *Benchmark index considered is NIFTY50*
3. *If the 30th/90th/180th day falls on a trading holiday then pricing information on the immediate next trading day has been considered*
4. *Pricing Performance for the company is calculated as per the final offer prices*
5. *Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date*

- Summary statement of price information of past issues handled by Morgan Stanley India Company Private Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source*: www.nseindia.com*

(ii) Goldman Sachs (India) Securities Private Limited

- Price information of past issues handled by Goldman Sachs (India) Securities Private Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Metropolis Healthcare Limited	12,042.88	880	April 15, 2019	958.00	+3.75% / [-4.01]%	21.39% / [1.18]%	+45.93% / [-3.30]%

- Summary statement of price information of past issues handled by Goldman Sachs (India) Securities Private Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-2020	1	12,042.88	-	-	-	-	-	1	-	-	-	-	1	-

(iii) Axis Capital Limited

- Price information of past issues handled by Axis Capital Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	India Pesticides Limited	8,000.00	296.00	5-Jul-21	350.00	-	-	-
2.	Krishna Institute Of Medical Sciences Limited[!]	21,437.44	825.00	28-Jun-21	1,009.00	-	-	-
3.	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	-	-	-
4.	Shyam Metalics And Energy Limited[@]	9,085.50	306.00	24-Jun-21	380.00	-	-	-

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
5.	Macrotech Developers Limited	25,000.00	486.00	19-April-21	436.00	+30.22%, [+5.21%]	-	-
6.	Barbeque – Nation Hospitality Limited	4,528.74	500.00	07-April-21	489.85	+18.77%, [-0.64%]	+76.97%, [+6.85%]	-
7.	Suryoday Small Finance Bank Limited$	5,808.39	305.00	26-Mar-21	292.00	-18.38%, [-1.14%]	-26.87%, [+8.13%]	-
8.	Kalyan Jewellers India Limited#	11,748.16	87.00	26-Mar-21	73.95	-24.60%, [-1.14%]	-7.07%, [+8.13%]	-
9.	Craftsman Automation Limited	8,236.96	1,490.00	25-Mar-21	1,359.00	-13.82%, [+0.11%]	+16.81%, [+10.11%]	-
10.	Laxmi Organic Industries Limited	6,000.00	130.00	25-Mar-21	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	-

Source: www.nseindia.com
$ Offer Price was` 275.00 per equity share to Eligible Employees
 # Offer Price was` 79.00 per equity share to Eligible Employees
@ Offer Price was` 291.00 per equity share to Eligible Employees
! Offer Price was` 785.00 per equity share to Eligible Employees

Notes:

1. *Issue Size derived from Prospectus/final post issue reports, as available.*
2. *The CNX NIFTY is considered as the Benchmark Index.*
3. *Price on NSE is considered for all of the above calculations.*
4. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
5. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

- Summary statement of price information of past issues handled by Axis Capital Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022*	6	73,253.45	-	-	-	-	1	1	-	-	-	-	-	-
2020-2021	11	93,028.90	-	-	6	2	1	2	-	-	-	2	1	1
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	3

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

(iv) ICICI Securities Limited

- Price information of past issues handled by ICICI Securities Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Indian Railway Finance Corporation Limited	46,333.79	26.00	29-Jan-21	24.90	-5.19%,[+6.56%]	-18.65%,[+9.02%]	NA*
2.	Indigo Paints Limited	11,691.24	1,490.00(1)	02-Feb-21	2,607.50	+75.72%,[+4.08%]	+55.40%,[-0.11%]	NA*
3.	Home First Finance Company India Limited	11,537.19	518.00	03-Feb-21	618.80	+4.98%,[+1.97%]	-5.64%,[-1.05%]	NA*
4.	Railtel Corporation of India Limited	8,192.42	94.00	26-Feb-21	109.00	+35.64%,[-0.15%]	+37.50%,[+5.32%]	NA*
5.	Kalyan Jewellers India Limited	11,748.16	87.00(2)	26-Mar-21	73.95	-24.60%,[-1.14%]	-7.07%,[+8.13%]	NA*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
6.	Suryoday Small Finance Bank Limited	5,808.39	305.00(3)	26-Mar-21	292.00	-18.38%,[-1.14%]	-26.87%,[+8.13%]	NA*
7.	Nazara Technologies Limited	5,826.91	1,101.00(4)	30-Mar-21	1,990.00	+62.57%,[+0.13%]	+37.59%,[+6.84%]	NA*
8.	Macrotech Developers Limited	25,000.00	486.00	19-Apr-21	436.00	+30.22%,[+5.21%]	NA*	NA*
9.	Shyam Metalics and Energy Limited	9,087.97	306.00(5)	24-Jun-21	380.00	NA*	NA*	NA*
10.	Dodla Dairy Limited	5,201.77	428.00	28-Jun-21	550.00	NA*	NA*	NA*

**Data not available*

1. *Discount of Rs. 148 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 1,490.00 per equity share.*
2. *Discount of Rs. 8 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 87.00 per equity share.*
3. *Discount of Rs. 30 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 305.00 per equity share.*
4. *Discount of Rs. 110 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 1,101.00 per equity share.*
5. *Discount of Rs. 15 per equity share offered to eligible employees All calculations are based on Issue Price of Rs. 306.00 per equity share.*

- Summary statement of price information of past issues handled by ICICI Securities Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	3	39,289.74	-	-	-	-	1	-	-	-	-	-	-	-
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	-	1	3	2	1
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

**This data covers issues upto YTD*

Notes:

1. *All data sourced from www.nseindia.com, except for Computer Age Management Services Limited for which the data is sourced from www.bseindia.com*
2. *Benchmark index considered is NIFTY*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day*

(v) J.P. Morgan India Private Limited

- Price information of past issues handled by J.P. Morgan India Private Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Sona BLW Precision Forgings Limited	55,500	291	June 24, 2021	301.00	NA	NA	NA
2.	Macrotech Developers Limited	25,000	486	April 19, 2021	436.00	+30.2%, [+5.2%]	NA	NA

Source: SEBI, Source: www.nseindia.com

1. *Price on NSE is considered for all of the above calculation*
2. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
3. *Closing price of 30th, 90th, 180th calendar day from listing day has been taken as listing day plus 29, 89 and 179 calendar days respectively*
4. *Pricing Performance for the company is calculated as per the final offer price*
5. *Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date*
6. *Issue size as per the basis of allotment*

- Summary statement of price information of past issues handled by J.P. Morgan India Private Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	2	80,500	NA	NA	NA	NA	1	NA	NA	NA	NA	NA	NA	NA
2020-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: In the event that any day falls on a holiday, the price/ index of the previous trading day has been considered. The information for each of the financial years is based on issues listed during such financial year.

(vi) Citigroup Global Markets India Private Limited

- Price information of past issues handled by Citigroup Global Markets India Private Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Kalyan Jewellers India Limited	11,748.16	87.00	March 26, 2021	73.95	-24.60%[-1.14%]	-7.07%[+8.13%]	NA
2.	Gland Pharma Limited	64,795.45	1,500.00	November 20, 2020	1,710.00	+48.43%[+7.01%]	+57.27%[+18.27%]	+104.17%[+17.49%]
3.	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43%[+5.87%]	-0.60%[20.25%]	+5.81%[+24.34%]
4.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36%[-5.35%]	+14.70%[-1.99%]	+23.76%[-4.09%]

Source: www.nseindia.com

Notes:

1. *Nifty is considered as the benchmark index.*
2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.*
3. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on NSE of a trading day immediately prior to the 30th / 90th / 180th day, is considered.*

- Summary statement of price information of past issues handled by Citigroup Global Markets India Private Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020-2021	3	98,142.45	-	-	2	-	1	-	-	-	-	1	-	1
2019-2020	1	13,452.6	-	-	-	-	-	1	-	-	-	-	-	1

Source: www.nseindia.com

Notes:

1. *The information is as on the date of the document*
2. *The information for each of the financial years is based on issues listed during such financial year.*
3. *Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

(vii) HDFC Bank Limited

- Price information of past issues handled by HDFC Bank Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Computer Age Management Services Ltd	22,421.05	1,230	October 01, 2020	1,518.00	+5.52% [+2.37%]	+49.52% [+23.04%]	+43.67% [+26.65%]
2.	Metropolis Healthcare Limited	12,042.88	880	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39%[-1.18%]	+45.93% [-3.30%]

Source: www.nseindia.com and www.bseindia.com for price information and prospectus for issue details

Notes:

1. *Nifty is considered as the benchmark index except for Computer Age Management Services Limited where SENSEX is considered as benchmark index*
2. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken as listing date plus 179 calendar days*
3. *In case of reporting dates falling on a trading holiday, values for immediately previous trading day have been considered*
4. *In Computer Age Management Services Limited, the issue price to eligible employees was ₹1,108 after a discount of ₹122 per equity share.*

- Summary statement of price information of past issues handled by HDFC Bank Limited

FY	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021 – 22	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2020 – 21	1	22,421.05	-	-	-	-	-	1	-	-	-	-	1	-
2019 - 20	1	12,042.88	-	-	-	-	-	1	-	-	-	-	1	-

Notes:

1. *The information is as on the date of this Draft Red Herring Prospectus.*
2. *The information for each of the financial years is based on issues listed during such financial year.*

Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the JGC-BRLMs, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. Our Company has appointed Mr. Amit Khera, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see "***General Information***" on page 84.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID, date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the JGC-BRLMs and the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for a delay beyond this period of 15 days.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the JGC-BRLMs, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations.

Our Company shall obtain authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship comprising our Directors, Ms. Pallavi Shardul Shroff, Mr. Ashit Lilani and Mr. Douglas Lehman Feagin, which is responsible for review and redressal of grievances of the security holders of our Company. For details, see "***Our Management – Stakeholders' Relationship Committee***" on page 241.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue and offer for sale and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being offered and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, our Memorandum of Association and our Articles of Association, and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares in the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of the Allotment. For further details, see "***Main Provisions of the Articles of Association***" on page [468].

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "***Dividend Policy***" and "***Main Provisions of Articles of Association***" on pages 255 and 468, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹ 1. At any given point in time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Offer Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, and shall be published at least two Working Days prior to the Bid/Offer Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper) and [●] editions of [●] (a widely circulated Hindi national daily newspaper, Hindi being the regional language of New Delhi, where our Registered Office is located), and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in "***Objects of the Offer – Offer Expenses***" on page 120

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013, the provisions of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, etc., see "***Main Provisions of the Articles of Association***" on page 468.

Allotment only in dematerialized form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall also only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated November 12, 2010 amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated October 29, 2010 amongst our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Share subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "***Offer Procedure***" on page 448.

Joint holders

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, reserves the right not to proceed with the Offer, until Allotment and/ or transfer of Equity Shares pursuant to the Offer. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The JGC-BRLMs and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the Stock Exchanges. If our Company and the Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

Bid/Offer Programme

BID/OFFER OPENS ON(1)	[●]
BID/OFFER CLOSES ON(2)	**[●]**

(1) Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

(2) Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account(1)	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

(1) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated by the intermediary responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Selling Shareholders or the JGC-BRLMs or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of each of the Selling Shareholders, as may be required under applicable law or as may be reasonably requested, in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the JGC-BRLMs and the BRLMs will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post-issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 a.m. IST and 5:00 p.m. IST
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10:00 a.m. IST and 3:00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding under the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIBs and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the JGC-BRLMs and the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit a confirmation in respect thereof to the JGC-BRLMs, the BRLMs and the Registrar to the Offer on a daily basis.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision in Bids will be accepted only during Working Days, during the Bid/Offer Period.

None amongst our Company and the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, Company and the Investor Selling Shareholders, may, in consultation with the JGC-BRLMs and the BRLMs may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR including through devolvement of underwriters, as applicable, within 60 days from the date of Bid/Offer Closing Date; or the minimum subscription of 90% of the Fresh Issue on Bid/Offer Closing Date; or the post-Offer shareholding of Antfin (Netherlands) Holding B.V. being more than 24.9%, on a fully diluted basis; or withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received. If there is a delay in such refund beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company who is an officer in default, shall pay interest at the rate of 15% p.a.

It is clarified that, all refunds made, interest borne, and expenses incurred (with regard to delayed payment of refunds), by the Company on behalf of any of the Selling Shareholders (if any) to the extent of the Equity Shares offered by such Selling Shareholder in the Offer, will be adjusted or reimbursed by such Selling Shareholder (severally and not jointly) to the Company, in accordance with Applicable Law, provided that none of the Selling Shareholders shall be liable or responsible to pay any interest or expenses unless such delay is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder.

In the event of under subscription in the Offer, the Equity Shares will be Allotted in the following order

(i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;

(ii) upon (i), such number of Equity Shares offered by Antfin (Netherlands) Holding B.V. as would result in the post-Offer shareholding of Antfin (Netherlands) Holding B.V. to be not more than 24.9%, on a fully diluted basis;

(iii) once the Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares offered by each of the Selling Shareholders, except Antfin (Netherlands) Holding B.V. will be Allotted amongst each of the Selling Shareholders, except Antfin (Netherlands) Holding B.V., in the same *pro rata* proportion as the Equity Shares offered by such Selling Shareholders, except Antfin (Netherlands) Holding B.V., in the Offer For Sale; and

(iv) finally, the balance 10% of the Fresh Issue portion will be Allotted.

In terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the JGC-BRLMs and the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

New financial instruments

Our Company is not issuing any new financial instruments through this Offer.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restrictions, if any on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company and the Anchor Investor lock-in as provided in "***Capital Structure***" page 94, and except as provided in the Articles of Association as detailed in "***Main Provisions of the Articles of Association***" on page 468, there are no restrictions on transfers and transmission of the Equity Shares, and on their consolidation or splitting.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 166,000 million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 83,000 million by our Company and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 83,000 million.

The Offer comprises a Net Offer of up to [●] Equity Shares and Employee Reservation Portion of up to [●] Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. The face value of each Equity Share is ₹ 1 each.

Our Company, in consultation with the JGC-BRLMs and the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

The Offer is being made through the Book Building Process.

Particulars	**Eligible Employees#**	**QIBs(1)**	**Non-Institutional Bidders**	**Retail Individual Bidders**
Number of Equity Shares available for allocation*(2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non Institutional Bidders
Percentage of Offer size available for allocation	The Employee Reservation Portion shall constitute up to [●]% of the Offer Size	Not less than 75% of the Net Offer shall be Allotted to QIB Bidders. However, up to 5% of the QIB Portion (excluding Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to QIBs	Not more than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and RIBs shall be available for allocation	Not more than 10% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders available for allocation
Basis of Allotment if respective category is oversubscribed*	Proportionate#; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 200,000, subject to total Allotment to an Eligible Employee not exceeding ₹ 500,000	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which	Proportionate	Proportionate, subject to minimum Bid Lot.

Particulars	Eligible Employees#	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
		one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.		
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹ 500,000	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			[●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share			
Who can apply(3)	Eligible Employees (such that the Bid Amount does not exceed ₹ 500,000)	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million National Investment Fund set up by the GoI, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices including FPIs which are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids(4) **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (except for Anchor Investors)			

* *Assuming full subscription in the Offer.*

 # Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Furthermore, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

(1) Our Company in consultation with the JGC-BRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the price at which allocation is made to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company, in consultation with the JGC-BRLMs and the BRLMs.

(2) Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR and under the SEBI ICDR Regulations, in compliance with Regulation 6(2) of the SEBI ICDR Regulations.

(3) If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under "***Offer Procedure - Bids by FPIs***" on page 453 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid. Employee Discount, if any, will be offered to Eligible Employees bidding in the Employee Reservation Portion. Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make payment based on Bid Amount net of Employee Discount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, less Employee Discount, if any, at the time of making a Bid.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the JGC-BRLMs, the BRLMs and the Designated Stock Exchange, on a proportionate basis.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges, the JGC-BRLMs and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, vide SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. Thereafter, the final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any further circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is applicable for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 has provided certain implementation timelines for the provisions of the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.*

Our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the JGC-BRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, up to [●] Equity Shares, aggregating up to ₹ [●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any.

Under-subscription, if any, in any category including Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories of Bidders, as applicable, at the discretion of our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for RIBs Bidding through the UPI Mechanism and Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIBs using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, the JGC-BRLMs and the BRLMs.

Electronic registration of Bids

a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 p.m. IST on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the JGC-BRLMs and the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process.

All ASBA Bidders must provide either, (i) bank account details and authorisation to block funds in the ASBA Form; or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection.

RIBs bidding must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, RIBs and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

* *Excluding electronic Bid cum Application Forms*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com)

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the JGC-BRLMs and BRLMs

(3) Bid cum Application Forms for Eligible Employees shall be available at the Registered Office of our Company

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than RIBs using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the JGC-BRLMs and the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the JGC-BRLMs and the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date ("Cut-Off Time"). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. The Company has not registered and does not intend to register under the U.S.

Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by associates and affiliates of the JGC-BRLMs, the BRLMs and the Syndicate Members and the persons related to the JGC-BRLMs, BRLMs and the Syndicate Members

The JGC-BRLMs, the BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the JGC-BRLMs, the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the JGC-BRLMs, the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the JGC-BRLMs nor the BRLMs nor any of their associates can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the JGC-BRLMs and the BRLMs;

(ii) insurance companies promoted by entities which are associate of the JGC-BRLMs and the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the JGC-BRLMs and the BRLMs; or

(iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the JGC-BRLMs and the BRLMs.

Further, an Anchor Investor shall be deemed to be an associate of the JGC-BRLMs and the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor, the JGC-BRLMs and the BRLMs.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that such Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

In accordance with the FEMA rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

For details of investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 466. Participation of Eligible NRIs shall be subject to the FEMA Regulations.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI or an investor group shall be below 10% of the total paid-up equity share capital of our Company on a fully diluted basis and the total holdings of all FPIs could be up to 100%, being the sectoral cap of the paid-up equity share capital of our Company on a fully diluted basis.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route).

The FEMA Non-Debt Instruments Rules was enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
(b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Bids by SEBI-registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations as amended, amongst others, prescribe the investment restrictions on VCFs, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Non-Debt Instruments Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their respective corpus in one investee company. A category III AIF cannot invest more than 10% of its corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders, the JGC-BRLMs or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, as amended, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the JGC-BRLMs and the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the JGC-BRLMs and the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves. The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of the RBI to make an investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para (i) above.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Board or the IPO Committee, as applicable, in consultation with the JGC-BRLMs and the BRLMs reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the JGC-BRLMs and the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, NBFC – SI, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be attached with the Bid cum Application Form. Failing this, our Company, in consultation with the JGC-BRLMs and the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the JGC-BRLMs and the BRLMs in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the JGC-BRLMs and the BRLMs may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the JGC-BRLMs and the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the JGC-BRLMs and the BRLMs.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the JGC-BRLMs or the BRLMs or insurance companies promoted by entities which are associates of the JGC-BRLMs and the BRLMs, no JGC-BRLMs and the BRLMs or their respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the JGC-BRLMs or the BRLMs" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, among the Anchor Investors, the JGC-BRLMs and the BRLMs.

The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

Our Company, in consultation with the JGC-BRLMs and the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

- in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.

Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the JGC-BRLMs and the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 on a net basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Allotment in the Employee Reservation Portion will be as detailed in the section "***Offer Structure***" on page 445.

However, Allotments to Eligible Employees in excess of ₹ 200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] form).
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹ 500,000 on a net basis
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000.

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "***Offer Procedure***" on page 448.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed

the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders, the JGC-BRLMs and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Bid cum Application Form;

5. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIBs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer;

8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than RIBs bidding using the UPI Mechanism);

9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

14. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

16. Ensure that the Demographic Details are updated, true and correct in all respects;

17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;

21. Since the Allotment will be in demat form only, ensure that the Bidder's depository account is active,

the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;

22. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;

23. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

24. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and

25. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

27. If you are in the United States or a U.S. person then you are both a U.S. QIB and a QP, and you will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders) and ₹ 500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account;

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. If you are a RIB using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

11. Anchor Investors should not Bid through the ASBA process;

12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

14. Do not submit the General Index Register (GIR) number instead of the PAN;

15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;

19. Do not submit a Bid using UPI ID, if you are not a RIB;

20. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries after you have submitted a Bid to the Designated Intermediary;

21. Do not Bid for Equity Shares more than what is specified by respective Stock Exchange for each category;

22. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

23. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Offer Closing Date;

25. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are RIB using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;

26. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID; and

27. Do not Bid if you are an OCB;

28. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an

SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;

29. Do not submit the Bid cum Application Forms to any non-SCSB bank; and

30. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by RIB Bidder using the UPI Mechanism).

31. If you are in the United States or a U.S. person, then do not Bid for a Bid Amount for less than US$250,000 or its equivalent in another currency.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information***" on page 84. For helpline details of the Managers pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see "***General Information – JC-BRLMs and BRLMs***" on page 85.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the JGC-BRLMs, the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RIBs shall not be less than the minimum bid lot, subject to the availability of shares in Retail Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the JGC-BRLMs and the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●]"

(b) In case of non-resident Anchor Investors: "[●]"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated

Hindi national daily newspaper, Hindi also being the regional language in New Delhi, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price which shall be a date prior to the filing of Prospectus.

(b) After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Undertakings by our Company

Our Company undertakes the following:

1. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken in consultation with the JGC-BRLMs and the BRLMs within such period as may be prescribed under applicable law;

3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

4. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

5. except for Equity Shares to be allotted pursuant to the Offer, the Pre-IPO Placement and any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Schemes, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and

6. that adequate arrangements shall be made to collect all Bid cum Application Forms.

Undertakings by the Selling Shareholders

Each of the Selling Shareholder confirms/ undertakes, severally and not jointly, in respect of itself as a Selling Shareholder and its respective portion of the Offered Shares that:

1. it is the legal and beneficial owner of its respective portion of the Offered Shares and has acquired and holds such Offered Shares in compliance with applicable law;

2. the Offered Shares are free and clear of encumbrances and/or any defect to good, are valid and have a marketable title, and shall be transferred pursuant to the Offer, free and clear of any encumbrances;

3. it is not debarred or prohibited from accessing the capital markets or restrained from buying, selling or dealing in securities, in any case under any order or direction passed by the SEBI or any other governmental authority;
4. it does not have any proceedings (including show cause notices) pending against it for violation of any securities laws;
5. the Offered Shares satisfy the eligibility requirements set forth in Rule 144A(d)(3) under the U.S. Securities Act;
6. it shall not make a Bid in the Offer, or offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Bid in the Offer, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes a Bid in the Offer; and
7. it has not taken, and shall not take, directly or indirectly, any action designed, to cause, or result in, or that may be reasonably expected to result in, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Offered Shares, including any buy-back arrangements for the purchase of any the Offered Shares

The decisions with respect to the Price Band, revision of Price Band, the Offer Price will be taken by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs, and with respect to the minimum Bid lot shall be taken by our Company and the Investor Selling Shareholders, in consultation with the JGC-BRLMs and the BRLMs.

Utilisation of Offer Proceeds

Our Board certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who—*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. The Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs") and "qualified purchasers" (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as "QPs") in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in "offshore transactions" in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

For further details, see "***Offer Procedure***" on page 448.

The above information is given for the benefit of the Bidders. Our Company, the JGC-BRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

The Articles of Association of the Company comprise two parts, Part A and Part B. Upon the commencement of listing of the Equity Shares of the Company on any recognised stock exchange in India pursuant to an initial public offering of the Equity Shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of the Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company or its shareholders.

PART A OF THE ARTICLES OF ASSOCIATION

Applicability of Table F

Article I provides that the regulations contained in Table 'F' of Schedule I of Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

Definitions and Interpretation

"**API**" means Antfin (Netherlands) Holding B.V.

"**SAIF**" means, a) SAIF Partners India IV Limited; b) SAIF Partners India V Limited; c) SAIF India V FII Holdings Limited; and d) SAIF III Mauritius Company Limited, collectively, for as long as they remain affiliates of each other.

"**SVF**" means, a) SVF India Holdings (Cayman) Limited; and b) SVF Panther (Cayman) Limited, collectively.

"**Shares**" or "**Equity Shares**" means a share in the Equity Share Capital of the Company. Notwithstanding anything contained elsewhere in the Articles, for purposes of Article 113(a), "3,100,000 Equity Shares" shall mean 3,100,000 equity shares of the Company of face value ₹10 each.

"**Share Capital**" or "**Equity Share Capital**" means in relation to the Company, its equity share capital within the meaning of Section 43 of the Act, as amended from time to time, together with all rights, obligations, title, interest and claim in such equity shares and includes all subsequent issue of such equity shares of whatever face value or description, bonus shares, conversion shares and shares issued pursuant to a stock split or the exercise of any warrant, option or other convertible security of the Company.

Share capital and variation of rights

Article 3 provides that "The authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company. Subject to the provisions of the Act and these Articles, the Shares for the time being shall be under the control of the Board, which may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with the provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid-up Shares and if so issued, shall be deemed to be fully paid-up Shares. Notwithstanding the foregoing, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting."

Article 4 provides that "Subject to these Articles and the provisions of the Act, the Company may, from time to time, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution."

Article 5 provides that "Subject to the provisions of the Act, the Company may from time to time, undertake any of the following:

(i) increase, reduce or otherwise alter its authorised share capital in such manner as it thinks expedient;

(ii) consolidate and divide all or any of its Share Capital into Shares of larger amount or smaller amount, than its existing Shares;

(iii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

(iv) sub-divide its Shares, or any of them, into Shares of smaller amount, such that the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; or

(v) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person, and diminish the amount of its Share Capital by the amount of Shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act."

Article 6 provides that "Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Shares with or without differential rights upon such terms and conditions and with such rights and privileges (including with regard to voting rights and dividend) as may be permitted by the Act or the applicable Law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles."

Article 7 provides that "Subject to the provisions of the Act, any preference shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the preference shares may, in accordance with the provisions of the Act."

Article 8 provides that "Period of redemption of such preference shares shall not exceed the maximum period for redemption provided under the Act."

Article 9 provides that "Subject to Law, where at any time, it is proposed to increase its subscribed capital by the issue/allotment of further Shares either out of the unissued capital or increased Share Capital then, such further Shares may be offered to:

(i) Persons who, at the date of offer, are holders of Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (a) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days or such lesser number of days as may be prescribed under the Act and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to him or any of them in favour of any other Person and the notice referred to in (i) shall contain a statement of this right, provided that the Board may decline, without assigning any reason therefore, to allot any Shares to any Person in whose favor any Member may renounce the Shares offered to him; and (c) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

    Nothing in sub-Article (i) (b) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any Person to exercise the right of renunciation for a second time on the ground that the Person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.

(ii) employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(iii) any Persons, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer, subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed under the Act, if a special resolution to this effect is passed by the Company in a General Meeting. Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meeting by Members who, being entitled so do to, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company."

Article 10 provides that "Nothing in Article 9 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares in the Company. Provide that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term:

(i) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with the Rules, if any made by that Government in this behalf; and

(ii) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans."

Article 11 provides that "Save as otherwise provided in the Articles, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by Law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other Person."

Article 12 provides that "Except as required by Law, no Person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these Articles or by Law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder."

Article 13 provides that "If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question."

Article 14 provides that "Rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith."

Article 15 provides that "Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit."

Article 16 provides that "Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act or any other Law for the time being in force, the Company shall have the power to buy-back its own Shares or other securities, as it may consider necessary."

Article 17 provides that "Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable Laws."

Article 18 provides "Subject to the provisions of the Act, the Company may, from time to time, by special resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:

(i) the Share Capital;

(ii) any capital redemption reserve account; or

(iii) any securities premium account."

Lien

Article 27 provides that "Company shall have a first and paramount lien upon all the Shares/ debentures (other than fully paid up Shares/debentures) registered in the name of each Member (whether solely or jointly with others), and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/debentures. Fully paid up Shares shall be free from all liens. Unless otherwise agreed, the registration of a transfer of Shares/debentures shall operate as a waiver of the Company's lien if any, on such Shares/debentures. The Board may at any time declare any Shares/debentures wholly or in part to be exempt from the provisions of this Article."

Article 28 provides that "Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien."

Article 29 provides that "A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien."

Article 30 provides that "The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

a) unless a sum in respect of which the lien exists is presently payable; or
b) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency."

Article 31 provides that "To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale."

Article 32 provides that " The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale."

Calls on shares

Article 33 provides that "Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times."

Article 34 provides that "Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares."

Article 35 provides that "A call may be revoked or postponed at the discretion of the Board."

Article 36 provides that "Call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments."

Article 37 provides that "Joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof."

Article 38 provides that "If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10% (ten per cent) per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 39 provides that "Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 40 provides that "The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the Member paying such sum in advance agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.
The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to any calls on debentures of the Company."

Transfer of shares

Article 50 provides that "Securities or other interest of any Member shall be freely transferable, provided that any contract or arrangement between 2 (two) or more Persons in respect of transfer of securities shall be enforceable as a contract. The instrument of transfer of any Share of the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof."

Article 51 provides that "Subject to the provisions of the Act, these Articles, any listing agreement entered into with any recognized stock exchange and any other applicable Law for the time being in force, the Board may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of Shares, whether fully paid or not, or any interest of a Member. The Board shall within 1 (one) month from the date on which the instrument of transfer or the intimation of such transmission was lodged with the Company, send to the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal to register such transfer. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except where the Company has a lien on the Shares or other Securities, provided however, that the Board may decline to register or acknowledge any transfer, whether fully paid-up or not, if the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under applicable Law as applicable to the Company, and further, that the decision of the Board or any persons designated by the Board with respect to whether the transfer results in, or is perceived to or may result in, a contravention or violation of any foreign investment limit or restriction under Applicable Law as applicable to the Company shall be final and binding in all respects. Transfer of Shares/debentures in whatever lot shall not be refused."

Article 52 provides that "Save as otherwise provided in the Act or any applicable Law, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of Shares, and if no such certificate is in existence, then the letter of allotment of the Shares or such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.

Application for the registration of the transfer of a Share may be made either by the transferor or by the transferee provided that where such application is made by the transferor, no registration shall, in the case of a partly paid Share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 (two) weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 (seven) days previous notice in accordance with the Act or any other time period as may be specified by Law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty five) days in the aggregate in any year."

Article 53 provides that "No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents."

Transmission of shares

Article 54 provides that "On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in these Articles shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons."

Article 55 provides that "Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

(i) to be registered as holder of the Share; or

(ii) to make such transfer of the Share as the deceased or insolvent Member could have made."

Article 56 provides that "The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency."

Article 57 provides that "If the Person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects."

Article 58 provides that "If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares."

Article 59 provides that "All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member."

Article 60 provides that "A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, *provided that* the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with."

Shareholders' meetings

Article 79 provides that “An annual General Meeting shall be held each year within the period specified by the Law. Not more than 15 (fifteen) months shall elapse between the date of one annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any annual General Meeting may be held. Every annual General Meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.”

Article 80 provides that “All General Meetings other than the annual General Meeting shall be called extraordinary General Meetings.”

Article 81 provides that

(i) “The Board may, whenever it thinks fit, call an extraordinary General Meeting.

(ii) The Board shall on the requisition of such number of Member or Members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and for any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

(iii) A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice as per the Act.

(iv) Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

(v) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any 2 (two) Members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.”

Proceedings at general meetings

Article 82 provides that “No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business.”

Article 83 provides that “Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.”

Article 84 provides that “In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later or to such other date and such other time and place as the Board may determine, provided that the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Section 100 of the Act shall stand cancelled.”

Article 85 provides that “In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.”

Article 86 provides that “The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting.”

Article 87 provides that “If at the adjourned meeting too a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.”

Article 88 provides that “The Chairman may, with the consent of Members at any meeting at which a quorum is present,and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place.”

Article 89 provides that "No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place."

Article 90 provides that "When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting."

Article 91 provides that "Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting."

Article 92 provides that "Notwithstanding anything contained elsewhere in these Articles, the Company:

(i) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and

(ii) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Members by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

Provided that any item of business required to be transacted by means of postal ballot under Article 93(i), may be transacted at a General Meeting by Company, in the manner provided in Section 108 of the Act.
Article 93 provides that the directors may attend and speak at General Meetings, whether or not they are shareholders."

Article 94 provides that "The body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act."

Article 95 provides that "The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company."

Article 96 provides that "If there is no such Chairman or if he is not present within 15 (fifteen minutes) after the time appointed for holding the General Meeting or is unwilling to act as the Chairman of the General Meeting, the Directors present shall elect one of their members to be the Chairman of the General Meeting."

Article 97 provides that "If at any General Meeting no Director is willing to act as the Chairman or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the General Meeting, the Members present shall choose one of their Members to be the Chairman of the General Meeting."

Directors

Article 112 provides that "Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), provided that the Company may appoint more than 15 (fifteen) directors after passing a special resolution. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days in each financial year."

Article 113 provides that "After the consummation of an initial public offering of the Equity Shares of the Company (i.e. listing of the Equity Shares on the BSE Limited and/ or the National Stock Exchange of India Limited) subject to Applicable Laws and the approval of the Shareholders by way of a special resolution in the first general meeting convened after the consummation of the initial public offering:

(a) Notwithstanding anything contained elsewhere in the Articles, so long as the Founder either (x) directly or indirectly holds at least 31,000,000 Equity Shares on a fully diluted basis (which shall in no event be less than 2.5% of the issued and subscribed share capital of the Company on a fully diluted basis) or, (y) continues to hold an executive position in the Company ("**Founder Director Threshold**"), the Founder shall be entitled to nominate one (1) Director on the Board (the "**Founder Director**"), provided that if the Founder fails to meet either (but not both) of the conditions of the Founder Director Threshold at any time, the Founder himself shall be the Founder Director and shall not be entitled to nominate anybody else as the

Founder Director; provided, further that when the Founder fails to meet both the conditions contained in the Founder Director Threshold, then he shall not be entitled to have himself or anyone else nominated as the Founder Director; and

(b) Notwithstanding anything contained elsewhere in the Articles, so long as each of API, SVF and/or SAIF (as applicable) hold at least 10% (ten per cent.) of the Equity Shares ("**Shareholder Director Threshold**") on a fully diluted basis, each of API, SVF and/or SAIF shall be entitled to nominate a Director on the Board (each, a "**Nominee Director**"). For the avoidance of doubt, it is clarified that: (i) in determining the Shareholder Director Threshold with reference to API, the shareholding of API and any Affiliates of API which hold Shares at that time (collectively, the "**API Entities**") shall be aggregated; and (ii) API shall, at all times, subject to holding the Shareholder Director Threshold, be entitled to assign/ transfer its right to appoint the Nominee Director, to an Affiliate which pursuant to requisite approvals from Governmental Authorities, if required under Applicable Law, holds Shares at the time of such assignment/ transfer."

Article 115 provides that the remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

Article 116 provides that "In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them:

(a) in attending and returning from meetings of the Board or any committee thereof or General Meetings of the Company; or
(b) in connection with the business of the Company."

Article 117 provides that "All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine."

Article 118 provides that "Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose."

Article 119 provides that

"(i) Subject to the provisions of Section 161 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.

(ii) Such person shall hold office only up to the date of the next annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
Article 120 provides that the subject to the provisions of the Act, the Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation. Any Director duly appointed by the Company for a fixed term (including the Independent Directors and the Managing Director) shall not be liable to retire by rotation."

Article 121 provides that "Subject to the provisions of the Act, each Director shall be paid sitting fees for each meeting of the Board or a Committee thereof attended by him, subject to the ceiling prescribed under the Act."

Article 122 provides that "The Directors shall also be paid travelling and other expenses for attending and returning from meeting of the Board of Directors (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the provisions of Section 197 of the Act."

Article 123 provides that "In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another Director (an "**Alternate Director**"), not being a person holding any alternate directorship for any other Director or holding directorship in the Company, for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an Independent Director unless such Person is qualified to be appointed as an Independent Director of the Company. Any Person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India."

Article 124 provides that "The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later."

Article 125 provides that "At any annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other Person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act."

Article 126 provides that "No Person shall be appointed as a Director unless he furnishes to the Company his Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act."

Article 127 provides that "No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act."

Article 128 provides that "Subject to the provisions of the Act, the Directors shall have the power, at any time and from time to time to appoint any Persons as Additional Director in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Director so appointed shall hold office only until the next following annual General Meeting or the last date on which the annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-appointment as Director."

Article 129 provides that "The Company, may by ordinary resolution, of which special notice has been given in accordance with the Section 169 of the Act, remove any Director including the managing director, if any, before the expiration of the period of his office. Notwithstanding anything contained in these regulations or in any agreement between the Company and such Director, such removal shall be without prejudice to any contract of service between him and the Company."

Article 130 provides that "If the office of any Director appointed by the Company in a General Meeting, is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any Person so appointed shall retain his office so long only as the vacating Director would have retained the same if such vacancy had not occurred."

Article 131 provides that "In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of Person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company. Such Director need not hold any qualification shares."

Article 132 provides that "The Company shall take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably."

Managing director or whole time director

Article 133 provides that “The Board may, from time to time, subject to Section 196 and other applicable provisions of the Act, appoint one or more of their body to the office of the managing director or whole time Director for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment.”

Article 134 provides that “Subject to the provisions of any contract between him and the Company, the managing director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and his appointment shall automatically terminate if he ceases to be a Director.”

Article 135 provides that “Subject to the provisions of the Act, a managing director or whole time director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and party in other) as the Board may determine.”

Article 136 provides that “The Board, subject to Section 179 and any other applicable provisions of the Act, may entrust to and confer upon a managing director or whole time director any of the powers exercisable by them upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.”

Meetings of the board

Article 137 provides that “The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.”

Article 138 provides that “A Director may, and the manager or secretary upon the requisition of a Director shall, at any time convene a meeting of the Board.”

Article 139 provides that “Subject to the provisions the Act, the Board shall meet at least 4 (four) times in a year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board.”

Article 140 provides that “The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum.”

Article 141 provides that “The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.”

Article 142 provides that “If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) Persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.”

Article 143 provides that “Subject to the provisions of the Act allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days’ notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.”

Article 144 provides that “Save as otherwise expressly provided in the Act, questions arising ay any meeting of the Board shall be decided by a majority of votes.”

Article 145 provides that “The Board may elect a Chairman for its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairman of the meeting.”

Article 146 provides that “In case of equality of votes, the Chairman of the Board shall have a second or casting vote at Board meetings of the Company.”

Article 147 provides that “Subject to these Articles and Sections 175,179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of the Committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.”

Article 148 provides that “All acts done in any meeting of the Board or of a committee thereof or by any Person acting as a Director shall, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect for disqualification or had terminated by virtue of any provisions contained in the Act, or in these Articles, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director.”

Article 149 provides that “Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.”

Article 150 provides that “Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established; provided that every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote.”

Powers of the board and constitution of committees of the board

Article 151 provides that “Subject to Section 179 of the Act, the Directors shall have the right to delegate any of their powers to such managers, agents or other Persons as they may deem fit and may at their own discretion revoke, vary or withdraw such powers.”

Article 152 provides that “The Board of Directors shall, or shall authorize Persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable Law, as may be required from time to time.”

Article 153 provides that “Subject to the provisions of the Act and these Articles, the management of affairs of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in a General Meeting, but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit and may determine their functions, powers, authorities and responsibilities. Such Committees will meet as frequently as the Board may decide, subject to applicable Laws."

Article 154 provides that "Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board."

Article 155 provides that "A committee may elect a Chairman of its meetings and may also determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within 5 (five) minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairman of the meeting."

Article 156 provides that "A committee may meet and adjourn as it thinks fit."

Article 157 provides that "Questions arising at any meeting of a committee shall be determined by a majority of votes of the Directors present. The chairperson of the committee, if any, shall not have any second or casting vote."

Article 158 provides that "The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other Person or Persons to exercise such powers."

Dividend and reserves

Article 162 provides that "The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board."

Article 163 provides that "Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company."

Article 164 provides that "The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve."

Article 165 provides that "Subject to the rights of Persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares."

Article 166 provides that "No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share."

Article 167 provides that "All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly."

Article 168 provides that "The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares."

Article 169 provides that "Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque, demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such Person and to such address as the holder or joint holders may in writing direct."

Article 170 provides that "Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent."

Article 171 provides that "Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share."

Article 172 provides that "The notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act."

Article 173 provides that "No dividend shall bear interest against the Company."

Article 174 provides that "No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by law."

Article 175 provides that "Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend the Company shall within such period as prescribed under applicable law, open a special account in that behalf in any scheduled bank called "Unpaid dividend Account" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as the Investor Education and Protection Fund established under Section 125 of the Act. A claim to any money so transferred to the Investor Education and Protection Fund may be preferred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by the law."

Post-public offering transfers to company competitors

Article 176 provides that

(i) "Subject to Articles 176(ii) and 176(iii), none of the Previous Investors, SAIF, SVF or the Founder shall, following the closing of an India IPO, transfer all or any part of the Equity Shares owned by such party or its respective affiliates to any Company Competitor, provided that such restrictions on Transfer of all or any part of the Equity Shares held by the Previous Investors, SAIF, SVF or the Founder to a Company Competitor shall not apply in case of:

(a) on-market Transfer of Equity Shares by any of the Previous Investors, SAIF, SVF or the Founder, as applicable (without any limitation on the number of Equity Shares that such party may Transfer), as long as the transferor or their advisors are not knowingly soliciting one (or more) of the Company Competitors to purchase such Equity Shares, or knowingly Transferring Shares to one (or more) of the Company Competitors by way of a block trade or synchronized trade (at any time of the day including in the block window), undertaken on recognized stock exchanges in India;

(b) Transfers of Equity Shares in connection with an offer for sale in a public offer by the Previous Investors, SAIF, SVF or the Founder (as applicable); or

(c) Transfer of Equity Shares by the Previous Investors, SAIF, SVF or the Founder, as applicable, in a dribble-out sale (without any limitation on the number of Equity Shares that such party may Transfer), as long as the transferor or their advisors are not knowingly soliciting one (or more) of the Company Competitors to purchase such Equity Shares, or knowingly Transferring Equity Shares to one (or more) of the Company Competitors.

(ii) The restriction on Transfers to a Company Competitor by the Previous Investors, SAIF, SVF or the Founder shall:

(a) not apply to ALI, API, SAIF, SVF or the Founder, as the case may be, if such transferor does not hold at least 5% (five per cent.) of the issued and subscribed Equity Share capital of the Company on a fully diluted basis as on the date of any Transfer of Equity Shares; and

(b) irrevocably and permanently lapse:

(i) with respect to a Company Competitor to whom the Company issues and allots any Equity Shares or other securities, and the Company shall immediately inform the Previous Investors, SAIF, SVF and the Founder of such issuance; or

(ii) upon expiry of 5 (five) years from the closing of the India IPO.

For the purposes of this Article 176, a "Company Competitor" shall mean only such Person(s) who are specifically agreed to be considered as Company Competitor pursuant to a written instrument signed by each of (i) the Previous Investors, (ii) SAIF, (iii) SVF, and (iv) the Founder, provided, however, that any amendments to such agreed list of Company Competitors shall require the prior written approval of each of the (i) the Previous Investors, (ii) SAIF, (iii) SVF, and (iv) the Founder, as long as such relevant party holds at least 5% (five per cent) of the issued and subscribed equity share capital of the Company on a fully diluted basis.

(iii) If any of the Previous Investors, SAIF, SVF or the Founder ("CC Transferring Shareholder") transfers any of their Equity Shares to a Company Competitor and either (x) the other relevant parties to which such restriction in Article 176 is applicable, waive the restrictions under Article 176(i) vis-à-vis the Transfer by the CC Transferring Shareholder to such Company Competitor, or (y) the Company does not enjoin or restrict such Transfer (such Company Competitor, the "Dormant Company Competitor")), then the restriction in this Article 176 with respect to such Dormant Company Competitor, shall fall away vis-a-vis all other parties and such Dormant Company Competitor shall be deemed to no longer be a Company Competitor.

(iv) Nothing contained herein shall limit, restrict or otherwise prohibit Previous Investors, SAIF, SVF or the Founder from acquiring, Transferring or otherwise dealing in a Company Competitor's securities or shares, or otherwise dealing with a Company Competitor in any manner whatsoever.

(v) This Article 176 represents an agreement by and only amongst the Previous Investors, SAIF, SVF and the Founder and shall not create any right, or obligations of the foregoing Parties in favour of any other Person or other Shareholders of the Company, and shall not be enforceable by any other Person or Shareholder. In the event that the Previous Investors, SAIF, SVF and the Founder mutually agree to amend the restriction contained in this Article 176 by an agreement in writing, then all the Shareholders shall take all steps necessary to ensure that this Article 176 shall be amended accordingly."

Winding up

Article 179 provides that "Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability."

PART B OF THE ARTICLES OF ASSOCIATION

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the Shareholders' Agreement. For more details on the Shareholders' Agreement, see "***History and Certain Corporate Matters – Shareholders' agreements***" on page 209.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company and includes contracts entered into until the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Draft Red Herring Prospectus which has been delivered to the RoC for filing. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

Material Contracts for the Offer

1. Offer Agreement dated July 15, 2021 amongst our Company, the Selling Shareholders, the JGC-BRLMs and the BRLMs.

2. Registrar Agreement dated July 14, 2021 amongst our Company, the Selling Shareholders and the Registrar to the Offer.

3. Share Escrow Agreement dated July 15, 2021 amongst the Selling Shareholders, our Company and the Share Escrow Agent.

4. Escrow and Sponsor Bank Agreement dated [●] amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Syndicate Members, the JGC-BRLMs, the BRLMs and the Banker(s) to the Offer.

5. Syndicate Agreement dated [●] amongst our Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] amongst our Company, the Selling Shareholders, the JGC-BRLMs, the BRLMs, the Registrar to the Offer and Syndicate Members.

7. Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

Material Documents

1. Certified copies of our Memorandum and Articles of Association of our Company, as amended until date;

2. Certified copy of the certificates of incorporation dated December 22, 2000, and the fresh certificate of incorporation dated May 12, 2010 consequent to conversion into a public limited company;

3. Resolution of the Board dated June 14, 2021 authorising the Offer and other related matters;

4. Shareholders' resolution dated July 12, 2021 in relation to the Fresh Issue and other related matters;

5. Resolution of the board of directors of the Selling Shareholders, as applicable consenting to participate in the Offer for Sale;

6. Consent letters provided by our Selling Shareholders, consenting to participate in the Offer for Sale;

7. The examination report dated July 14, 2021 of the Statutory Auditors, on our Restated Financial Statements;

8. The report dated July 15, 2021 on the ‘Statement of special tax benefits under the applicable tax laws in India’ issued by S R B C & Associates LLP;

9. Annual reports of the Company for FY 2021, FY 2020 and FY 2019;

10. Consent letters of bankers to our Company, the JGC-BRLMs, the BRLMs, Registrar to the Offer, legal counsels, Public Offer Bank, Refund Bank, Sponsor Bank, Escrow Collection Bank, and Syndicate Members, Directors of our Company and Company Secretary and Compliance Officer to act in their respective capacities;

11. Consent letter dated July 15, 2021 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their examination report dated July 14, 2021 on our Restated Financial Statements in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, as amended;

12. Shareholders’ agreement dated November 17, 2019 executed by and among our Company, Mr. Vijay Shekhar Sharma, Alibaba.com Singapore E-Commerce Private Limited, Alipay Singapore E-Commerce Private Limited, SVF India Holdings (Cayman) Limited and SVF Panther (Cayman) Limited, SAIF Partners India IV Limited, SAIF Partners India V Limited, SAIF India V FII Holdings Limited and SAIF III Mauritius Company Limited and BH International Holdings

13. Amendment dated June 15, 2021 to the SHA executed among our Company, Mr. Vijay Shekhar Sharma, BH International Holdings, Alibaba.com Singapore E-Commerce Private Limited, Antfin (Netherlands) Holding B.V., SVF India Holdings (Cayman) Limited, SVF Panther (Cayman) Limited, SAIF Partners India IV Limited, SAIF Partners India V Limited, SAIF India V FII Holdings Limited, SAIF III Mauritius Company Limited, T. Rowe Price Growth Stock Fund, Inc, T. Rowe Price Growth Stock Trust, T. Rowe Price Communications & Technology Fund, Inc., T. Rowe Price Global Technology Fund, Inc., T. Rowe Price Global Growth Stock Fund, T. Rowe Price Global Growth Equity Trust, T. Rowe Price Global Equity Fund and T. Rowe Price Global Growth Equity Pool

14. Shareholders agreement dated July 25, 2017 executed by and among our Company, Mobiquest Mobile Technologies Private Limited, Mr Vineet Narang, Ms. Sabina Kamal, Mr. Anoop Shrivastava, Mr. Chandra Shekhar and Mr. K.C. Narang

15. Employment agreement entered into between Mr. Vijay Shekhar Sharma and our Company, approved by our Board pursuant to resolution dated July 11, 2021.

16. Shareholders’ agreement dated November 30, 2017 executed by and among our Company, Sequoia NBY Investment Holdings, Groupon Holdings B.V., Gamnat Pte. Ltd., Nearbuy Pte. Ltd., Little Internet Singapore Pte. Ltd, Nearbuy India Private Limited, Little Internet Private Limited, Mr. Ankur Warikoo, Mr. Ravi Shankar L. and Mr. Snehesh Mitra and others

17. Shareholders agreement dated November 4, 2016 executed by and among our Company, One 97 Communications India Limited, Mr. Vijay Shekhar Sharma and Paytm Payments Bank Limited

18. Shareholders agreement dated September 22, 2017 executed by and among our Company, Urja Money Private Limited, Venture Product Foundry LLP, Mr. Aditya Singh, Mr. Jonathan Alexander Bill and Mr. Ashish Pratap Doshi

19. Stock acquisition rights subscription agreement dated June 30, 2020 executed by and among our Company and PayPay Corporation

20. Share sale and purchase agreement dated July 6, 2020 executed by and among Paytm Insuretech Private Limited (formerly known as QORQL Private Limited), Prism Johnson Limited, QBE Holdings (AAP) Pty. Limited, QBE Asia Pacific Holdings Limited and Raheja QBE General Insurance Company Limited

21. Joint venture agreement dated July 24, 2017 executed by and among our Company, AGTech Media Holdings Limited and AGTech Holdings Limited

22. Business Transfer Agreement between our Company and Paytm E-Commerce Private Limited dated February 6, 2017

23. Business Transfer Agreement between our Company and Acumen Game Entertainment Private Limited dated May 3, 2018

24. Report titled '*The Digital Transformation of Payments and Financial Services in India*' dated July 15, 2021 issued by RedSeer, and consent issued in relation to such report dated July 15, 2021 by Redseer;

25. Due diligence certificate dated July 15, 2021 addressed to SEBI from the JGC-BRLMs and the BRLMs;

26. In-principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively;

27. SEBI observation letter bearing reference number [●] and dated [●];

28. Tripartite agreement dated November 12, 2010 amongst our Company, NSDL and the Registrar to the Offer;

29. Tripartite agreement dated October 29, 2010 amongst our Company, CDSL and the Registrar to the Offer; and

30. One 97 Employee Stock Option Scheme 2019.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government of India or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Vijay Shekhar Sharma
Chairman and Managing Director

Mr. Douglas Feagin
Non-Executive Director

Mr. Munish Varma
Non-Executive Director

Mr. Ravi Chandra Adusumalli
Non-Executive Director

Mr. Mark Schwartz
Independent Director

Ms. Pallavi Shardul Shroff
Independent Director

Mr. Neeraj Arora
Independent Director

Mr. Ashit Lilani
Independent Director

SIGNED BY THE PRESIDENT AND GROUP CHIEF FINANCIAL OFFICER

Mr. Madhur Deora

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Mr. Vikas Garg

Place:

Date: July 15, 2021

DECLARATION BY THE FOUNDER SELLING SHAREHOLDER

I, Vijay Shekhar Sharma, hereby confirm that all statements and undertakings made or confirmed by me in this Draft Red Herring Prospectus about or in relation to me as the Founder Selling Shareholder and the Equity Shares offered by me through the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Name: Mr. Vijay Shekhar Sharma

Date: July 15, 2021

DECLARATION BY ALIBABA.COM SINGAPORE E-COMMERCE PRIVATE LIMITED

Alibaba.com Singapore E-Commerce Private Limited hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Alibaba.com Singapore E-Commerce Private Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF **ALIBABA.COM SINGAPORE E-COMMERCE PRIVATE LIMITED**

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Name: Yi Zhang

Designation: Authorised Signatory

Date: July 15, 2021

DECLARATION BY ANTFIN (NETHERLANDS) HOLDING B.V.

Antfin (Netherlands) Holding B.V. hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Antfin (Netherlands) Holding B.V. assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF ANTFIN (NETHERLANDS) HOLDING B.V.

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Name: Leiming Chen

Designation: Director

Date: July 15, 2021

DECLARATION BY ELEVATION CAPITAL V FII HOLDINGS LIMITED

Elevation Capital V FII Holdings Limited , hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Elevation Capital V FII Holdings Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF ELEVATION CAPITAL V FII HOLDINGS LIMITED

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Name: Jihane Muhamodsaroar

Designation: Director

Date: July 15, 2021

DECLARATION BY ELEVATION CAPITAL V LIMITED

Elevation Capital V Limited, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Elevation Capital V Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF ELEVATION CAPITAL V LIMITED

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Name: Jihane Muhamodsaroar

Designation: Director

Date: July 15, 2021

DECLARATION BY SAIF III MAURITIUS COMPANY LIMITED

SAIF III Mauritius Company Limited, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. SAIF III Mauritius Company Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF SAIF III MAURITIUS COMPANY LIMITED

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Name: Naiken Veeraswamy

Designation: Director

Date: July 15, 2021

DECLARATION BY SAIF PARTNERS INDIA IV LIMITED

SAIF Partners India IV Limited, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. SAIF Partners India IV Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF SAIF PARTNERS INDIA IV LIMITED

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Name: Jihane Muhamodsaroar

Designation: Director

Date: July 15, 2021

DECLARATION BY SVF PANTHER (CAYMAN) LIMITED

SVF Panther (Cayman) Limited, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. SVF Panther (Cayman) Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF SVF PANTHER (CAYMAN) LIMITED

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Name: Karen Ellerbe

Designation: Director

Date: July 15, 2021

DECLARATION BY BH INTERNATIONAL HOLDINGS

BH International Holdings, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as a Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. BH International Holdings assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF BH International Holdings

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Name: Daniel Jerome Jaksich

Designation: Director

Date: July 15, 2021

DECLARATION BY THE OTHER SELLING SHAREHOLDERS

Mountain Capital Fund, L.P., RNT Associates Private Limited, Mr. Ravi Datla, Mr. Varun Gupta, Mr. Amit Khanna, Mr. Peter Kosiek, Mr. Prakhar Srivastava, Mr. Narendra Singh Yadav, Mr. Abhishek Arun, Mr. Shapath Parikh, Ms. Muskaan Parikh, Mr. Saurabh Sharma, Mr. Manas Bisht, Mr. Sanjay S. Wadhwa, Mr. SasiRaman Venkatesan, Mr. N. Ramkumar, Mr. Abhay Sharma and Mr. Krishna Kumar Rathi hereby confirm that all statements and undertakings made or confirmed by them in this Draft Red Herring Prospectus about or in relation to themselves as a Selling Shareholder and the respective Equity Shares offered by them through the Offer for Sale, are true and correct. Mountain Capital Fund, L.P., RNT Associates Private Limited, DG PTM LP, Mr. Ravi Datla, Mr. Varun Gupta, Mr. Amit Khanna, Mr. Prakhar Srivastava, Mr. Narendra Singh Yadav, Mr. Abhishek Arun, Mr. Shapath Parikh, Ms. Muskaan Parikh, Mr. Saurabh Sharma, Mr. Manas Bisht, Mr. Sanjay S. Wadhwa, Mr. SasiRaman Venkatesan, Mr. N. Ramkumar, Mr. Abhay Sharma and Mr. Krishna Kumar Rathi assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF MOUNTAIN CAPITAL FUND, L.P., RNT ASSOCIATES PRIVATE LIMITED, DG PTM LP, MR. RAVI DATLA, MR. VARUN GUPTA, MR. AMIT KHANNA, MR. PETER KOSIEK, MR. PRAKHAR SRIVASTAVA, MR. NARENDRA SINGH YADAV, MR. ABHISHEK ARUN, MR. SHAPATH PARIKH, MR. MUSKAAN PARIKH, MR. SAURABH SHARMA, MR. MANAS BISHT, MR. SANJAY S. WADHWA, MR. SASIRAMAN VENKATESAN, MR. N. RAMKUMAR, MR. ABHAY SHARMA AND MR. KRISHNA KUMAR RATHI, ACTING THROUGH MR. VIKAS GARG, DULY APPOINTED POWER-OF-ATTORNEY HOLDER

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Name: Mr. Vikas Garg

Date: July 15, 2021

ANNEXURE A – US RESALE LETTER

[*On the letterhead of an investor who is a U.S. Person or a person in the United States; to be executed after resale of the Equity Shares outside the United States which was not consummated on the BSE or the NSE; to be delivered to the Company prior to the settlement of any sale or other transfer of Shares*]

One97 Communications Limited
[*Address*]

Ladies and Gentlemen:

This letter ("**Resale Letter**") relates to the sale or other transfer by us of equity shares (the "**Shares**") of the Company, which is required to be in an "offshore transaction" pursuant to Regulation S ("**Regulation S**") under the Securities Act of 1933, as amended (the "**U.S. Securities Act**"). Terms used in this Resale Letter are used as defined in Regulation S, except as otherwise stated herein.

We hereby represent and warrant to you as follows:

(a) We previously purchased the Shares for our own account (or for one or more beneficial owners for which we have acted as fiduciary or agent, with complete investment discretion and with authority to bind each such person), as both a "qualified institutional buyer" (as defined in Rule 144A under the U.S. Securities Act) and a "qualified purchaser" (as defined in Section 2(a)(51) and related rules of the Investment Company Act of 1940, as amended, and the rules thereunder (the "**U.S. Investment Company Act**"). We understand that the Shares have not been and will not be registered under the US Securities Act and that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act).

(b) The offer and sale of the Shares by us was not made to a person in the United States or to a U.S. Person (as defined in Regulation S).

(c) Either:

(i) at the time the buy order for the sale of the Shares by us was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or

(ii) the transfer of the Shares by us was executed in, on or through the facilities of the [●] Stock Exchange or the [●] Stock Exchange, and neither we nor any person acting on our behalf has reason to believe that the transaction was pre-arranged with a buyer in the United States.

(d) Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts (as such term is defined in Regulation S) in the United States with respect to the Equity Shares.

(e) The transfer of the Equity Shares by us was not and is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act.

(f) None of the Company, any of its agents nor any of their respective affiliates participated in the sale of the Equity Shares by us.

(g) We agree that the Company, its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

Where there are joint transferors, each must sign this US Resale Letter. A US Resale Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation's constitution (and evidence of such authority may be required).

Yours sincerely,

(Name of Transferor)

By:
Title:
Date: