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Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of One97 Communications Limited

Report on audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of One97 Communications Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2020, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Emphasis of matter

4. We draw your attention to the following matters -
 - a) Note 2.1 to the Standalone Financial Statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. 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.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITOR'S REPORT

To the Members of One97 Communications Limited
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- b) Note 36 to the Standalone Financial Statements regarding the non-settlement of foreign currency payables as at March 31, 2020 amounting to Rs 0.06 crores and Rs 0.13 crores, 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 25.88 crores and Rs 0.53 crores, 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 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 the above matters.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



INDEPENDENT AUDITOR'S REPORT

To the Members of One97 Communications Limited
Report on audit of the Standalone Financial Statements
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Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



INDEPENDENT AUDITOR'S REPORT

To the Members of One97 Communications Limited
Report on audit of the Standalone Financial Statements
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Report on other legal and regulatory requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 28 (c) to the Standalone Financial Statements.
 - ii. The Company had long-term contracts including derivative contracts as at March 31, 2020 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

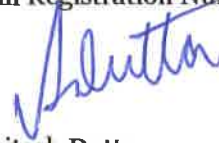


INDEPENDENT AUDITOR'S REPORT

To the Members of One97 Communications Limited
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14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 20058507AAAADJ9884

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Place: Gurugram
Date: August 2, 2020

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2020

Page 1 of 2

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of One97 Communications Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Annexure A to Independent Auditor's Report

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2020

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Meaning of Internal Financial Controls with reference to financial statements

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

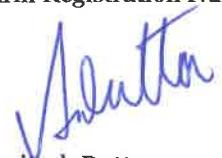
Inherent Limitations of Internal Financial Controls with reference to financial statements

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

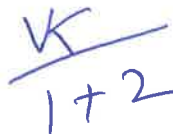
Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 (a) of the main audit report

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


Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 20058507AAAADJ9884

Place: Gurugram
Date: August 2, 2020



Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) 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.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 (b) on Right to use assets to th Standalone Financial Statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services provided by the Company.
- vii. (a) 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.



Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2020

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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or goods and services tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 14 of our main audit report.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has made private placement of shares 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.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.



Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of One97 Communications Limited on the Standalone Financial Statements for the year ended March 31, 2020

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- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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



Amitesh Dutta
Partner
Membership Number: 058507
UDIN : 20058507AAAADJ9884



Place: Gurugram
Date: August 2, 2020

Standalone Financial Statements
 One97 Communications Limited
 CIN: U72200DL2000PLC108985
 Standalone Balance Sheet as at March 31, 2020
 (Amounts in INR Crores, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	242.97	268.72
Right-of-use-assets	3(b)	252.84	-
Capital work in progress		11.73	50.58
Intangible assets	4	11.82	17.42
Intangible assets under development		0.16	0.22
Investment in subsidiaries	5	618.05	693.44
Investment in associates	6	215.54	174.10
Financial assets			
Investments	7(b)	222.70	100.19
Loans	7(c)	155.23	104.39
Other financial assets	7(d)	1,970.41	136.81
Current tax assets		484.08	458.64
Other non-current assets	9	84.00	141.04
Total Non-Current Assets		4,269.53	2,145.55
Current assets			
Financial assets			
Investments	7(a)	3,155.51	2,472.65
Trade receivables	8	327.50	242.21
Cash and cash equivalents	10(a)	285.60	235.32
Bank balances other than cash and cash equivalents	10(b)	-	6.21
Loans	7(c)	69.33	303.63
Other financial assets	7(d)	1,112.84	1,892.83
Other current assets	9	1,286.71	1,384.83
Total Current Assets		6,237.49	6,537.58
TOTAL ASSETS		10,507.02	8,683.13
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11(a)	60.43	57.53
Instruments entirely equity in nature	11(a)	-	-
Other equity	11(b)	8,351.02	5,978.50
Total Equity		8,411.45	6,036.03
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	13(a)	-	26.96
Lease liabilities	3(b)	169.90	-
Contract Liabilities	14(b)	342.25	-
Provisions	12	16.68	8.65
Total Non-Current Liabilities		528.83	35.61
Current liabilities			
Financial liabilities			
Borrowings	13(a)	201.09	695.50
Lease liabilities	3(b)	34.10	-
Trade payables			
(a) Total Outstanding dues of micro and small enterpr	13(b)	11.33	11.24
(b) Total Outstanding dues other than (a) above	13(b)	562.05	662.04
Others financial liabilities	13(c)	199.15	699.18
Contract Liabilities	14(b)	294.35	352.87
Other current liabilities	14(a)	217.51	153.03
Provisions	12	47.16	37.63
Total Current Liabilities		1,566.74	2,611.49
Total Liabilities		2,095.57	2,647.10
TOTAL EQUITY AND LIABILITIES		10,507.02	8,683.13

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.

This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
 Firm registration number: 012754IN/N500016

For and on behalf of Board of Directors of
 One97 Communications Limited

Amitesh Dutta
 Partner

Membership No: 058507

Place: Gurugram

Date: August 2, 2020

Vijay Shekhar Sharma
 Chairman and Managing Director

DIN No. 00466521

Place: Noida

Date: May 22, 2020

Vikas Garg
 Chief Financial Officer

Place: Noida

Date: May 22, 2020

Arvind Kumar Singhania
 Company Secretary

Place: Noida

Date: May 22, 2020



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	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Continuing operations			
Income			
Revenue from operations	15	3,115.10	3,049.87
Other income	16	235.49	341.74
Total Income*		3,350.59	3,391.61
*excluding total income from discontinued operations for the year ended March 31, 2020: INR Nil (March 31, 2019 : INR 1.53) (Refer note 32)			
Expenses			
Employee benefits expense	17	825.12	627.78
Finance costs	18	45.56	16.50
Depreciation and amortization expense	19	143.18	75.81
Other expenses	20	4,847.68	6,534.71
Total expenses*		5,861.54	7,254.80
*excluding expenses of discontinued operations for the year ended March 31, 2020: INR Nil (March 31, 2019 : INR 6.84) (Refer note 32)			
Loss before exceptional items and tax from continuing operations		(2,510.95)	(3,863.19)
Exceptional items	21	(322.18)	(91.02)
Loss before tax from continuing operations		(2,833.13)	(3,954.21)
Income Tax expense			
Current tax	27	0.05	0.12
Total Tax expense		0.05	0.12
Loss for the year from continuing operations		(2,833.18)	(3,954.33)
Loss for the year from discontinued operations (Refer note 32)	32		(5.31)
Loss for the year		(2,833.18)	(3,959.64)
Other comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement gains/ (losses) on defined benefit plans	26	(0.70)	(1.43)
Changes in fair value of equity instruments at FVTOCI		0.20	1.29
Total Other Comprehensive Income/(Loss) for the year		(0.50)	(0.14)
Total Comprehensive Income/ (Loss) for the year		(2,833.68)	(3,959.78)
Basic & Diluted Earnings per share from continuing operations (INR per Share)	22	(486.58)	(705.02)
Basic & Diluted Earnings per share from discontinued operations (INR per Share)	22		(0.95)
Basic & Diluted Earnings per share from continuing and discontinued operations (INR per Share)	22	(486.58)	(705.97)

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.
 This is the Standalone Statement of Profit and Loss 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

Amlesh Dutta
 Amlesh Dutta
 Partner
 Membership No: 058507
 Place: Gurgaon
 Date: August 2, 2020

Vijay S.S.
 Vijay Shekhar Sharma
 Chairman and Managing Director
 DIN No 00466521
 Place: Noida
 Date: May 22, 2020

Vikas Garg
 Vikas Garg
 Chief Financial Officer
 Place: Noida
 Date: May 22, 2020

Arvind Kumar Singhania
 Arvind Kumar Singhania
 Company Secretary
 Place: Noida
 Date: May 22, 2020



Standalone Financial Statements

One97 Communications Limited

CIN: U72200DL2000PLC108985

Standalone Statement of Changes in Equity for the year ended March 31, 2020

(Amounts in INR Crores, 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	5,49,98,632	55.32
Shares issued during the year#	20,94,650	2.05
Shares issued during the year - ESOP	1,62,847	0.16
At March 31, 2019*	5,72,56,129	57.53
Shares issued during the year#	28,03,511	2.77
Shares issued during the year - ESOP	1,28,015	0.13
At March 31, 2020*	6,01,87,655	60.43

* Net of treasury shares 247,370 (March 31, 2019: 277,737) at nil cost through employee welfare trust

Shares issued during the year includes 30,367 (March 31, 2019: 48,902) shares issued out of treasury shares

b) Instruments entirely equity in nature

Obligation to issue fixed number of shares	Amount
At April 1, 2018	173.63
Changes during the year (Refer note 11(a))	(173.63)
At March 31, 2019	-
Changes during the year	-
At March 31, 2020	-

c) Other Equity

Particulars	Share application money pending allotment	Reserves and Surplus			Other reserves	Total Other Equity
		Security Premium	Retained earnings	ESOP Reserve	FVTOCI	
As at April 1, 2018	0.05	11,324.23	(4,101.84)	127.70	(3.54)	7,346.60
Loss for the year	-	-	(3,959.64)	-	-	(3,959.64)
Other Comprehensive income	-	-	(1.43)	-	1.29	(0.14)
Total comprehensive income	-	-	(3,961.07)	-	1.29	(3,959.78)
Exercise of share options	(0.05)	-	-	-	-	(0.05)
Adjustment on forfeiture of ESOP (Refer note 24)	-	-	3.44	(3.44)	-	-
Adjustment on cancellation of vested ESOP (Refer note 24)	-	-	19.07	(19.07)	-	-
Share based payment expenses (Refer note 24)	-	-	-	86.06	-	86.06
Amount received on issue of shares	-	2,187.41	-	-	-	2,187.41
Shares issued for consideration other than cash	-	294.75	-	-	-	294.75
Amount utilised for share issue expenses	-	(2.39)	-	-	-	(2.39)
Share based payment for employees of group companies (Refer note 24)	-	-	-	25.90	-	25.90
Amount transferred to security premium on exercise of options	-	18.69	-	(18.69)	-	-
As at March 31, 2019	-	13,822.69	(8,040.40)	198.46	(2.25)	5,978.50
Loss for the year	-	-	(2,833.18)	-	-	(2,833.18)
Other Comprehensive income	-	-	(0.70)	-	0.20	(0.50)
Total comprehensive income	-	-	(2,833.88)	-	0.20	(2,833.68)
Adjustment on forfeiture of ESOP (Refer note 24)	-	-	0.19	(0.19)	-	-
Adjustment on cancellation of vested ESOP (Refer note 24)	-	-	28.43	(28.43)	-	-
Amount transferred to security premium on exercise of options	-	35.92	-	(35.92)	-	-
Share based payment expenses (Refer note 24)	-	-	-	123.53	-	123.53
Share based payment for employees of group companies (Refer note 24)	-	-	-	45.56	-	45.56
Share application money pending allotment	-	-	-	-	-	-
Amount received on issue of shares	-	5,051.15	-	-	-	5,051.15
Amount utilised for share issue expenses	-	(14.04)	-	-	-	(14.04)
Other adjustments	-	-	0.54	-	(0.54)	-
As at March 31, 2020	-	18,895.72	(10,845.12)	303.01	(2.59)	8,351.02

* Amount below rounding off norms adopted by the Company

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

Amitesh
Amitesh Dutta
Partner
Membership No: 058307
Place: Gurugram
Date: August 2, 2020

For and on behalf of Board of Directors of
One97 Communications Limited

Vijay S.S.
Vijay Shekhar Sharma
Chairman and Managing Director
DIN No: 00466521
Place: Noida
Date: May 22, 2020

Vikas
Vikas Garg
Chief Financial Officer
Place: Noida
Date: May 22, 2020

Avind Kumar
Avind Kumar Singhania
Company Secretary
Place: Noida
Date: May 22, 2020



Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Cash Flows for the year ended March 31, 2020
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities:			
Loss before tax from			
Continuing operations		(2,833.13)	(3,954.21)
Discontinued operations			(5.31)
Adjustments for			
Depreciation and amortization expense	19	143.18	75.81
Interest income	16	(64.13)	(66.90)
Interest Income on unwinding of discount - financial assets measured at amortized cost	16	(67.34)	(45.47)
Interest on borrowing at amortized cost	18	24.91	15.00
Interest and finance charges on lease liabilities	18	20.40	-
Trade receivables / advance written off	20	1.96	-
Provision for doubtful advances and unbilled receivables	20	2.36	12.27
Provision for impairment of trade receivables	20	33.48	12.69
Fair value loss on Financials assets through FVTPL	20	88.08	-
Gain on sale of gaming business/ wallet business	21	-	(42.20)
Liabilities / Provision no longer required written back	16	(5.12)	(5.91)
Provision for impairment of investments in associates and subsidiaries	21	311.68	133.22
Property, plant and equipment and intangibles written off	20	0.03	0.06
Rent equalisation reserve		-	0.31
Non-cash employee share based payment expenses	17	123.52	86.06
Provision for employee incentive		46.72	(9.85)
Fair value gain on financial instruments measured at FVTPL (net)	16	(89.99)	(216.18)
(Gain) / Loss on disposal on sale of investments in associates		10.51	-
Gain on disposal of property, plant and equipment and intangibles	16	(1.10)	(0.82)
Operating loss before working capital changes		(2,253.98)	(4,011.43)
Working capital adjustments:			
Increase/(decrease) in trade payables		(94.78)	259.61
Increase/(decrease) in provisions		16.86	9.14
Increase / (decrease) in other current liabilities and contract liabilities		348.22	458.05
Increase/(decrease) in other financial liabilities		(496.56)	440.03
(Increase)/decrease in trade receivables		(120.72)	249.86
(Increase)/decrease in other financial assets		269.48	(690.05)
(Increase)/decrease in other current and non current assets		151.90	(803.43)
(Increase)/decrease in loans		(45.65)	(87.18)
Cash used in operations		(2,225.23)	(4,175.40)
Income taxes paid (net off refunds)		(25.44)	(179.64)
Net cash (outflow) from operating activities (A)		(2,250.67)	(4,355.04)
Cash flow from investing activities:			
Purchase of property, plant and equipment including intangible assets, work in progress and capital advances		(169.19)	(158.04)
Proceeds from sale of property, plant and equipment		1.10	4.75
Proceeds from sale of gaming business	32	-	33.91
Investment in bank deposits (having original maturity of more than 12 months)		(1,430.95)	(138.19)
Investment in bank deposits (having original maturity of more than 3 months but less than 12 months)		(11.77)	(62.72)
Maturity of bank deposits (having original maturity of more than 12 months)		98.50	174.81
Maturity of bank deposits (having original maturity of more than 3 months but less than 12 months)		17.98	81.43
Proceeds from repayment of inter corporate loans		244.61	-
Inter corporate loans given		(7.00)	(272.43)
Proceeds from sale of non current investments		0.67	-
Investments in subsidiaries and associates		(242.77)	(272.55)
Proceeds from sale of current investments		7,244.53	5,547.47
Payment for purchase of current investments		(7,960.31)	(3,296.34)
Interest received		41.96	66.74
Net cash inflow / (outflow) from Investing activities (B)		(2,172.64)	1,708.84



Standalone Financial Statements
One97 Communications Limited
CIN: U72200DL2000PLC108985
Standalone Statement of Cash Flows for the year ended March 31, 2020
(Amounts in INR Crores, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from financing activities:			
Proceeds from issue of shares		5,054.05	2,189.29
Share issue expenses		(14.04)	(2.39)
Repayment of loan		(60.61)	-
Interest paid		(45.07)	(14.09)
Proceeds from loan		133.52	-
Payment of deferred payment liabilities		-	(7.23)
Principal elements of lease payments		(26.85)	-
Net cash inflow / (outflow) from financing activities (C)		5,041.00	2,165.58
Net increase/(decrease) in cash and cash equivalents (A+B+C)			
Cash and cash equivalent at the beginning of the period		(460.28)	20.34
Cash and cash equivalent at the end of the period		157.42	(460.28)

Cash and cash equivalents as per above comprises of following		March 31, 2020	March 31, 2019
- Cash and cheque on hand		3.37	0.03
Balance with banks		272.73	235.19
- On current accounts		9.50	-
- Deposits with original maturity of less than 3 months		-	-
Cash and cash equivalents	10(a)	285.60	235.22
- Bank overdraft	13(a)	-	(695.50)
- Working capital demand loan	13(a)	(128.18)	-
Total cash and cash equivalents		157.42	(460.28)

* Amount below rounding off norms adopted by the company

For non-cash investment and financing activities refer note 5, 11(a) and 13(a), respectively

The above Standalone Statement of Cash Flow should be read in conjunction with the accompanying notes

This is the Standalone Statement of Cash Flow referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
 Firm registration number: 012754N/ N500016

Amish Dutta
Amish Dutta
 Partner
 Membership No: 058507
 Place: Gurugram
 Date: August 2, 2020

For and on behalf of Board of Directors of
One97 Communications Limited

Vijay Sharma
Vijay Shekhar Sharma
 Chairman and Managing Director
 DIN No: 00466521
 Place: Noida
 Date: May 22, 2020

Vikas Garg
Vikas Garg
 Chief Financial Officer
 Place: Noida
 Date: May 22, 2020

Arvind Kumar Singhania
Arvind Kumar Singhania
 Company Secretary
 Place: Noida
 Date: May 22, 2020



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1. Corporate information

One97 Communications Limited (“the Company”) 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 Company is located at 1st Floor, Devika Tower, Nehru Place, New Delhi - 110019. The principal place of business of the Company is in India.

The Company is in the business of providing payment services primarily as payment facilitator, aggregator for digital products, providing voice and messaging platforms to the telecom operators and enterprise customers and other businesses.

These standalone financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 22, 2020.

2. Significant accounting policies

2.1 Basis of preparation

These standalone financial statements (“Financial Statements”) of the Company have been prepared in accordance with Indian Accounting Standard (‘Ind AS’) notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments).

The Company has applied the following standards and amendments for the first time for period commencing from April 1, 2019:

- IND AS 116, Leases
- Long term Interests in Associates and Joint Ventures – Amendments to IND AS 28, Investments in Associates and Joint ventures
- Uncertainty over Income Tax Treatments – Appendix C to IND AS 12, Income Taxes
- Plan Amendments, Curtailment or Settlement - Amendments to IND AS 19, Employee Benefits
- Amendments to IND AS 103, Business Combinations and IND AS 111, Joint Arrangements
- Amendments to IND AS 12, Income Taxes

The Company has changed its accounting policies as a result of adoption of IND AS 116 (refer note 2.2p). The other amendments listed above did not have any impacts on amounts recognised in prior periods and are not expected to significantly affect the current periods.

All the amounts included in the financial statements are presented in Indian Rupees (‘Rupees’ or ‘Rs.’ or ‘INR’) and are rounded to the nearest crores up to two decimal places, 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 Company 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 Company has taken cognizance of internal and external information up to the date of approval of Financial Statements. The Company 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 standalone financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to the future economic conditions.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet 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 Company classifies all other liabilities as non-current.

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

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

b. Foreign currencies

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which it operates i.e. the "functional currency". The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's 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 profit or 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 other comprehensive income ("OCI") or statement of profit and loss, are also recognised in OCI or statement of profit and loss, respectively).

c. Fair value measurement

The Company 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 Company 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 financial statements 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 financial statements on a recurring basis, the Company 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 Company'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 Company 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 Company 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 Company 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 at the later of when revenue is recognized or when the Company pays or promises to pay the incentive.

Where the Company 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 Company has a right to payment before or at the point that services are delivered. Cash received before the services are delivered is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

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 recognised as a contract liability.

Commission

The Company facilitates recharge of talk time, bill payments and availability of bus tickets 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 Company.

Service fees from merchants

The Company earns service fee from merchants and recognizes such revenue when the control in services have been transferred by the Company i.e. as and when services have been provided by the Company. Such service fee is generally determined as a percentage of transaction value executed by the merchants. Amount received by the Company pending settlement are disclosed as payable to the merchants under contract liabilities.

Other operating revenue

Where the Company 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 Company 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 Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the 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 Company operates and generates taxable income.

Current income tax relating to items recognised outside 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 establishes provisions where appropriate.

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.

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 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 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 statement of profit and loss account. The Company 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 Company will pay normal income tax during the specified period.



One97 Communications Limited

CIN: U72200DL2000PLC108985

Notes to the Standalone Financial Statements for the year ended March 31, 2020

(Amounts in INR Crores, unless otherwise stated)

Taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services 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 or disclosed separately in statement of profit and loss, as applicable, or
- When receivables and payables are stated with the amount of tax included

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 balance sheet.

f. Non-current assets held for sale and discontinued operations

The Company 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 Company 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 Balance Sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

A disposal group qualifies as discontinued operation 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 statement of profit and loss.

Additional disclosures are provided in Note 32. All notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

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.

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.



One97 Communications Limited

CIN: U72200DL2000PLC108985

Notes to the Standalone Financial Statements for the year ended March 31, 2020

(Amounts in INR Crores, unless otherwise stated)

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 Company 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 Company 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 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 statement of profit and loss on the date of disposal or retirement.

Depreciation is provided using the written down value method and charged to statement of profit and loss, unless such expenditure forms part of carrying value of another asset, as per the rates prescribed under schedule II of the Companies Act, 2013, 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%
Vehicles	31.23%

Leasehold improvements are depreciated over lower of the period of the lease and useful life.

Leasehold land is depreciated over the period of the lease.

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.

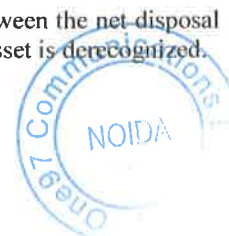
h. Intangible assets

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 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 statement of profit and loss.

Software and licenses acquired are amortized at the rate of 40% per annum on written down value method.

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 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 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 Company 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 statement of profit and loss unless such expenditure forms part of carrying value of another asset. 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 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 Company 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 Company 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, the asset or CGU 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 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 Company 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 Company 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 Company 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 statement of profit or loss.

k. Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that 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 Company 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 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 Company 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 Company does not recognize a contingent liability but discloses its existence in the financial statements.

l. Retirement and other employee benefits

For defined benefit plans (gratuity), the liability or asset recognised in the balance sheet 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 an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in the subsequent periods.

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

The Company's contributions to defined contribution plans (provident fund) are recognized in profit or loss when the employee renders related service. The Company has no further obligations under these plans beyond its periodic contributions.



The Company 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 balance sheet.

m. Share-based payments

i) Equity-settled transactions

Employees (including senior executives) of the Company 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 Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits 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 Company'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 profit or 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 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 Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits 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 Company 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 Company uses EWT as a vehicle for distributing shares under the ESOP schemes. The EWT holds shares of the Company, for giving shares to employees. The Company treats EWT as its extension and shares of the Company held by EWT are treated as treasury shares. Other assets held by EWT are consolidated on a line-by-line basis with Company's financial statements. 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 profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables and is most relevant to the Company.

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 Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset,



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cumulative gain or loss previously recognised in OCI is reclassified from the equity to the 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 Company 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 statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company 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 statement of profit or loss, even on sale of investment. However, the Company 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 statement of profit and loss.

Equity investments in subsidiaries, 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 Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company 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 Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company 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 Company has retained.



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Impairment of financial assets

In accordance with Ind AS 109, the Company 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 Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company 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 Company 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 Company 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 Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other expenses in the 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 balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company 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 Company's financial liabilities include lease liabilities, trade and other payables, including bank overdrafts and other borrowings.

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 profit or 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 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 statement of profit or 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 Company 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 through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or 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 balance sheet 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 balance sheet 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 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 Company's cash management.

p. Leases

Accounting policy applied till March 31, 2019

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.



Company as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are classified as operating leases. Payments made under operating leases are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Change in Accounting Policy

The Company has adopted Ind AS 116 "Leases" from April 1, 2019, which resulted in changes in accounting policies in the standalone financial statements.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method by recognizing a lease liability at the date of initial application at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate and recognizing a right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of standalone financial statements for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of 271.65 and a lease liability of 218.37. There has been no impact on the retained earnings due to application of the standard. The effect of this adoption has resulted in decrease in profit before tax by INR 3.36, profit after tax by INR 3.36, basic earnings per share by INR 0.60 per share and diluted earnings per share by INR 0.60 per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
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. Applied the practical expedient not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.
4. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
5. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.



"The difference between the operating lease commitments recorded as of March 31, 2019 under Ind AS 17 disclosed under Note 28 of the Standalone Financial Statements for the year ended March 31, 2019 and the value of the lease liability recognised as of April 1, 2019 is primarily on account of consideration of extension and termination options reasonably certain to be exercised, and exclusion of liability pertaining to leases for which short term exemption is availed by the Company in measuring the lease liability in accordance with Ind AS 116. "

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10% based on the remaining lease term.

Accounting policy applied from April 1, 2019

The Company as a lessee

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

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

Certain lease arrangements 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 Company 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 standalone balance sheet 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 Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other reserve.

s. Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

t. Use of estimates

The Company is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company 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 Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the financial statements. Significant impact on the financial statements arising from impairment of investments in subsidiaries and associates, gain/ loss on disposal of subsidiaries and associates and gain/ loss from slump sale of business lines are considered and reported as an 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.



3(a). Property, plant and equipment								
Particulars	Computers	Furniture and Fittings	Leasehold Improvements	Vehicles	Office Equipments	Plant & Machinery	Leasehold Land*	Total
Gross carrying amount								
As at April 1, 2018	213.55	6.01	24.73	1.47	15.77	-	-	261.53
Additions	83.00	2.41	1.78	-	14.90	-	85.08	187.17
Discontinued Operation (Refer note 32)	0.28	-	-	-	0.05	-	-	0.33
Disposals	9.97	0.21	-	-	0.01	-	-	10.21
As at March 31, 2019	286.30	8.21	26.51	1.47	30.59	-	85.08	438.16
As at April 1, 2019	286.30	8.21	26.51	1.47	30.59	-	85.08	438.16
Additions	50.01	0.14	0.40	-	1.43	125.63	-	177.61
Disposals	13.32	1.14	-	-	1.17	-	-	15.63
Adjustment for change in accounting policy (Refer note 2.2p)	-	-	-	-	-	-	85.08	85.08
As at March 31, 2020	322.99	7.21	26.91	1.47	30.85	125.63	-	515.06
Accumulated depreciation / amortisation								
As at April 1, 2018	90.44	2.57	5.95	0.52	7.86	-	-	107.34
For the year	57.43	1.14	4.14	0.29	5.48	-	0.72	69.20
Discontinued Operation (Refer note 32)	0.20	-	-	-	0.04	-	-	0.24
Disposals	6.71	0.13	-	-	0.02	-	-	6.86
As at March 31, 2019	140.96	3.58	10.09	0.81	13.28	-	0.72	168.44
As at April 1, 2019	140.96	3.58	10.09	0.81	13.28	-	0.72	168.44
For the year	73.16	1.15	3.58	0.20	4.10	33.78	-	115.97
Disposals	11.54	0.33	-	-	0.73	-	-	12.60
Adjustment for change in accounting policy (Refer note 2.2p)	-	-	-	-	-	-	0.72	0.72
As at March 31, 2020	202.58	4.40	13.67	1.01	16.65	33.78	-	272.09
Net carrying amount								
As at March 31, 2020	120.41	2.81	13.24	0.46	14.20	91.85	-	242.97
As at March 31, 2019	145.34	4.63	16.42	0.66	17.31	-	84.36	268.72

Notes:

(i) Capital work in progress

Capital work in progress mainly comprises of servers and network switches.

(ii) Leasehold land represent assets where Company is a lessee under finance lease. The lease term in respect of the leasehold land acquired under finance lease is for ninety years (refer note 13)

(iii) Refer to note 28 for disclosure of contractual commitments for the acquisition of property, plant and equipment

* Pursuant to the adoption of Ind AS 116, leased assets are presented as separate line items in the balance sheet as at March 31, 2020, see note 3(b). Refer to note 2.2p for detail about the changes in accounting policy

Included in plant and machinery are assets given on lease - Gross Block INR 84.10, Accumulated depreciation INR 22.35, Net block INR 61.55



One97 Communications Limited

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Notes to the Standalone Financial Statements for the year ended March 31, 2020

(Amounts in INR crores, unless otherwise stated)

3 (b). Leases

This note provides information for leases where company is lessee

(i) Amounts recognised in Balance sheet

Particulars	March 31, 2020	April 1, 2019*
Right-of-use assets		
Land	83.41	84.36
Office Premises	169.43	187.29
Total	252.84	271.65

Lease Liabilities

Current	34.10	27.74
Non-Current	169.90	190.63
Total	204.00	218.37

* In the previous year, the company only recognised lease assets and lease liabilities in relation to lease that were classified as 'finance leases' under Ind AS 17, Leases. The assets were presented in property, plant and equipment and the liabilities as part of the company's borrowings and other financial liabilities. For adjustments recognised on adoption on Ind AS 116 on April 1, 2019 (refer note 2.2p)

Additions to right-of-use assets during the current financial year are INR 12.61

(ii) Amounts recognised in Statement of profit and loss

Particulars	Notes	March 31, 2020	March 31, 2019
Depreciation charge of Right-of-use assets			
Land		0.95	-
Office Premises#		30.47	-
Total	19	31.42	-

Particulars	Notes	March 31, 2020	March 31, 2019
Interest expense (included in finance cost)	18	20.40	-
Expense relating to short-term lease (included in other expenses)	20	5.88	-

This amount is including cross charge of INR 11.60 Net depreciation charge of Right-of-use assets in profit & loss is INR 19.82

The total cash outflow for leases for the year ended March 31, 2020 is INR 47.24



4. Intangible assets

Particulars	Software	Internally Generated Software	Total
Gross carrying amount			
As at April 1, 2018	27.44	0.11	27.55
Additions	12.70	-	12.70
Disposals	1.34	-	1.34
As at March 31, 2019	38.80	0.11	38.91
As at April 1, 2019	38.80	0.11	38.91
Additions	1.79	-	1.79
Disposals	-	-	-
As at March 31, 2020	40.59	0.11	40.70
Accumulated amortisation			
As at April 1, 2018	15.54	0.10	15.64
For the year	6.61	-	6.61
Disposals	0.76	-	0.76
As at March 31, 2019	21.59	0.10	21.49
As at April 1, 2019	21.39	0.10	21.49
For the year	7.39	-	7.39
Disposals	-	-	-
As at March 31, 2020	28.78	0.10	28.88
Net carrying amount			
As at March 31, 2020	11.81	0.01	11.82
As at March 31, 2019	17.41	0.01	17.42



5. Investment in subsidiaries - Non Current

	As at March 31, 2020	As at March 31, 2019
Investment in equity instruments		
Unquoted equity shares (Fully paid up)		
One97 Communications Nigeria Limited 10,000,000 (March 31, 2019: 10,000,000) equity shares of NGN 1 each	0.30	0.30
One97 Communications FZ LLC 1,500 (March 31, 2019 : 1,500) equity shares of AED 1000 each	2.08	2.08
One97 Communications India Limited 83,150,000 (March 31, 2019 : 83,150,000) equity shares of INR10 each	83.15	83.15
One97 Communications Singapore Private Limited 3,356,100 (March 31, 2019 : 3,356,100) equity shares of SGD 1 each	52.93	33.10
One97 USA Inc 532,000 (March 31, 2019 : 532,000) equity shares of USD 1 each	3.32	3.32
Paytm Financial Services Limited 2,000,000 (March 31, 2019 : 2,000,000) equity shares of face value of INR 10 each	2.00	2.00
Paytm Entertainment Limited 69,951,533 (March 31, 2019 : 61,010,000) equity shares of face value of INR 10 each	147.60	63.83
Paytm Money Limited 158,870,000 (March 31, 2019 : 78,870,000) equity shares of face value of INR 10 each	166.04	80.35
Wasteland Entertainment Private Limited (Refer note (vi) below) 44,337 (March 31, 2019 : 44,337) equity shares of INR 10 each	89.69	119.68
Orbgen Technologies Private Limited (Refer note (iv) below) 974,880 (March 31, 2019 : 974,880) equity shares of INR 10 each	31.52	58.81
Urja Money Private Limited 2,102,245 (March 31, 2019 : 1,637,912) equity shares of INR 10 each	22.00	14.00
Mobiquest Mobile Technologies Private Limited 115,035 (March 31, 2019 : 115,035) equity shares of INR 10 each	8.04	8.04
Little Internet Private Limited (Refer note (ii) and (v) below) 13,477,263 (March 31, 2019 : 13,477,263) equity shares of face value of INR 10 each	-	205.11
QorQL Private Limited (Refer note (iii) below) 25,60,938 (March 31, 2019 : 25,60,938) equity shares of face value of INR 10 each	-	-
Cube 26 software private limited (Refer note (vii) below) Nil (March 31, 2019 : 586,300) equity shares of face value of INR 10 each	-	0.74
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) 15,000 (March 31, 2019 : 15,000) equity shares of face value of INR 10 each	1.68	1.60
Paytm Insurance Broking Private Limited (Refer note (i) below) 1,500,000 (March 31, 2019 : Nil) equity shares of face value of INR 10 each	5.53	-
Total (A)	615.88	676.11
Unquoted compulsorily convertible preference shares (Fully paid up)		
Mobiquest Mobile Technologies Private Limited 35,710 (March 31, 2019 : 35,710) compulsory convertible preference shares of INR 10 each	2.17	2.17
Little Internet Private Limited (Refer note (ii) and (v) below) 520,000 (March 31, 2019 : 520,000) Compulsorily Convertible Preference shares of face value of INR 10 each	-	15.16
Total (B)	2.17	17.33
Grand Total [A+B]	618.05	693.44
Aggregate amount of unquoted investments	618.05	693.44
Aggregate amount of impairment in the value of investment	422.34	128.67

(i) Subsidiary incorporated during the year ended March 31, 2020.

(ii) Net of provision for impairment amounting to INR 271.27 (March 31, 2019: 51.00). Also refer notes 11(a)(e) and 21.

(iii) Converted to investment in subsidiary during the year ended March 31, 2019. Net of provision for impairment amounting to INR 2.56 (March 31, 2019: 2.56). Also refer note 21.

(iv) Orbgen Technologies Private Limited was acquired during the previous year for consideration other than cash, through swap of Company's equity shares with the previous shareholders of Orbgen Technologies Private Limited. The amount of investment disclosed above is net of provision for impairment amounting to INR 118.51 (March 31, 2019: 75.11). Also refer note 21.

(v) For acquisition of Little Internet Private Limited in previous year (refer note 11(a)(e)), equity shares were issued during the year for consideration other than cash, through swap of Company's equity shares with the previous shareholders of Little Internet Private Limited.

(vi) Net of provision for impairment amounting to INR 30 (March 31, 2019: Nil). Also refer note 21.

(vii) Investments sold during the year.



Standalone Financial Statements

One97 Communications Limited

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Notes to the Standalone Financial Statements for the year ended March 31, 2020

(Amounts in INR Crores, unless otherwise stated)

6. Investment in associates - Non Current

	As at March 31, 2020	As at March 31, 2019
Unquoted equity shares (Fully paid up)		
Paytm Payments Bank Limited 156,003,900 (March 31, 2019 : 156,003,900) equity shares of INR 10 each	156.00	156.00
Paytm General Insurance Corporation Ltd 490,000 (March 31, 2019 : 49,000) equity shares of INR 10 each	0.49	0.05
Paytm Life Insurance Corporation Limited 49,000 (March 31, 2019 : 49,000) equity shares of INR 10 each	0.05	0.05
Eatgood Technologies Private Limited* 2,879 (March 31, 2019 : Nil) equity shares of INR 10 each	1.87	-
Total (A)	158.41	156.10
Unquoted compulsorily convertible preference shares (Fully paid up)		
Loginext Solutions Private Limited** 279,443 (March 31, 2019 : 279,443) Compulsorily Convertible Preference share of face value of INR 10 each	-	18.00
Socomo Technologies Private Limited** 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, 2019 : Nil) Compulsorily Convertible Preference share of face value of INR 10 each	10.00	-
Eatgood Technologies Private Limited* 61,680 (March 31, 2019 : Nil) Compulsorily Convertible Preference share of face value of INR 100 each	47.13	-
Total (B)	57.13	18.00
Unquoted compulsorily convertible debenture (Fully paid up)		
QorQL Private Limited # Nil (March 31, 2019 : Nil) Compulsorily Convertible Debentures of INR 10 each	-	-
Total (C)	-	-
Grand Total [A+B+C]	215.54	174.10
Aggregate amount of unquoted Investments	215.54	174.10
Aggregate amount of Impairment in the value of Investment	87.84	69.84

** Net of provision for impairment amounting INR 45.05 (March 31, 2019 : 27.05) and INR 42.79 (March 31, 2019 : 42.79) for Loginext Solutions Private Limited and Socomo Technologies Private Limited.

Converted to investment in subsidiary during the year ended March 31, 2019

* Investments made during the year

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7. Financial assets

7 (a) Investments - Current

	As at March 31, 2020	As at March 31, 2019
Investments at fair value through profit and loss		
Mutual Funds (Quoted)		
Aditya Birla Sun life Liquid Fund - Growth - Direct Plan 7,982,579 units (March 31, 2019 :Nil units)	255.09	-
Axis Liquid Fund- Direct Growth 1,163,693 units (March 31, 2019 :217,056 units)	256.52	45.01
DSP Liquidity Fund-Direct Plan-Growth 896,425 units (March 31, 2019 :Nil units)	254.65	-
ICICI Prudential Liquid Fund - Direct Plan - Growth 3,388,688 units (March 31, 2019 : 22,681,730 units)	99.55	626.96
ICICI Prudential Liquid - Direct Plan - Growth (refer note (i) below) 5,139,147 units (March 31, 2019 :5,139,147 units)	150.98	142.05
IDFC Cash Fund Direct Plan - Growth 1,010,455 units (March 31, 2019 :10,068 units)	242.69	2.28
Kotak Liquid Fund Direct Plan Growth 608,354 units (March 31, 2019 :Nil units)	244.25	-
Nippon India Liquid Fund - Direct Plan Growth Plan 450,057 units (March 31, 2019 :Nil units)	218.31	-
Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option Nil units (March 31, 2019 :1,677,500 units)	-	765.26
SBI Liquid Fund- Direct - Growth (Formerly SBI Premier Liquid Fund) 798,613 units (March 31, 2019 :2,597,386 units)	248.29	760.67
UTI- Liquid -Cash Plan-Growth Direct 683,599 units (March 31, 2019 :102,459 units)	222.27	31.36
Total (A)	2,192.60	2,373.59



	As at March 31, 2020	As at March 31, 2019
Debtures (unquoted)		
Ciqua Limited (refer note (iii) and (iv) below)	-	-
Nil (March 31, 2019 : Nil) Convertible Loan Notes of GBP 0.01 each	-	-
Total (B)	-	-
Investments at amortised cost		
Debt Instruments (quoted)		
LIC Housing Finance Limited 8.75% 21 Dec 2020 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,018,877 each	50.94	-
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,000,000 each	0.26	-
Kotak Mahindra Prime Ltd 7.50% NCD 10 Nov 2020 250 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,006,960 each	25.72	-
HDFC Series V-002 8.51% 15 July 2020 250 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,009,252 each	26.38	-
HDFC Series W-001 7.15% 16 Sep 2021 250 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,003,676 each	0.65	-
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 999,978 each	0.30	-
HDFC Series V-002 8.51% 15 July 2020 2,000 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,009,226 each	211.10	-
LIC Housing Finance Limited 8.80% 24 Dec 2020 1,000 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,018,617 each	102.85	-
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,020,747 each	51.04	-
Tata Capital Financial Services Limited 8.65% 26 Mar 2021 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,020,528 each	51.03	-
Kotak Mahindra Prime Ltd 0% 9 Sep 2020 1,000 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 967,368 each	96.74	-
HDFC Series U-008 8.70% 15 Dec 2020 500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,017,216 each	51.37	-
Bajaj Finance Limited Secured 7.2525% 10 Nov 2020 1,500 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,004,575 each	154.04	-
HDFC Series U-010 8.62% 15 Oct 2020 1,100 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,012,261 each	115.00	-
LIC Housing Finance Limited 8.75% NCD 8 Mar 2021 250 (March 31, 2019 : Nil) Redeemable Non Convertible Debentures of INR 1,020,750 each	25.49	-
LIC Housing Finance Limited 7.085% NCD 23 Apr 2019 Nil (March 31, 2019 : 1000) Redeemable Non Convertible Debentures of INR 1,000,000 each	-	99.06
Total (C)	962.91	99.06
Total current investments [A+B+C]	3,155.51	2,472.65

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7(b) Investments - Non Current

	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)		
Ciqua Limited (refer note (iii) and (iv) below) 29,43,276 (March 31, 2019 29,43,276) equity shares of GBP 0.01 each	-	-
Highbit Careers Private Limited (refer note (v) below) Nil (March 31, 2019 235) equity shares of INR 10 each	-	0.38
ZEPO Technologies Private Limited 3,458 (March 31, 2019 : 3,458) Equity shares of face value INR 10 each	2.28	2.28
Red Pixels Ventures Limited 1,093 (March 31, 2019 : 1,093) Equity shares of face value INR 10 each	0.37	0.37
Total (A)	2.65	3.03
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, 2019 : 3,620) Redeemable Convertible Preference Shares of INR 10 each	-	-
Busy Bees Logistics Solution Private Limited 18,121 (March 31, 2019 : 18,121) Compulsorily Convertible Preference share of face value of INR 10 each	59.25	82.16
Avenues Payments India Private Limited (refer note (iii) below) 11,379 (March 31, 2019 : 11,379) Compulsorily Convertible Preference share of face value of INR 100 each	-	7.00
Pilani Experts Technology Labs Private Limited 289 (March 31, 2019 : 289) Compulsorily Convertible Preference share of face value INR 100 each	0.42	0.42
Total (B)	59.67	89.58
Unquoted equity shares (Fully paid up)		
Paytm E-commerce Private Limited 2,105 (March 31, 2019 : 1,792) Equity shares of face value INR 10 each held by Employee Welfare Trust	10.08	5.74
Pilani Experts Technology Labs Private Limited 1,277 (March 31, 2019 : 1,277) equity shares of INR 10 each	3.12	1.84
Total (B)	72.87	97.16
Investments at amortised cost		
Debt instruments (quoted)		
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2019 Nil) Redeemable Non Convertible Debentures of INR 1,000,000 each	50.00	-
HDFC Series W-001 7.15% 16 Sep 2021 250 (March 31, 2019 Nil) Redeemable Non Convertible Debentures of INR 1,003,676 each	25.09	-
LIC Housing Finance Limited 7.03% 28 Dec 2021 500 (March 31, 2019 Nil) Redeemable Non Convertible Debentures of INR 999,978 each	50.00	-
Kotak Mahindra Investments Ltd 0% 28 Oct 2021 250 (March 31, 2019 Nil) Redeemable Non Convertible Debentures of INR 883,748 each	22.09	-
Total (C)	147.18	-
Total Non Current investments [A+B+C]	222.70	100.19
Total Current Investments	3,155.51	2,472.65
Total Non-Current Investments	222.70	100.19
	3,378.21	2,572.84
Aggregate book value of unquoted Investments	75.52	100.19
Aggregate book value of quoted Investments	3,302.69	2,472.65
Aggregate market value of quoted Investments	3,302.69	2,472.65
Aggregate amount of Impairment in the value of Investments	12.67	5.67

Notes to 7 (a) and 7 (b) above

- (i) ICICI Prudential Liquid - Direct Plan - Growth is marked under lien by banks for bank overdraft, working capital demand loan and term loan amounting to INR 140.00 (March 31, 2019 142.05)
- (ii) Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. Refer note 30 for determination of their fair values
- (iii) The Company holds these investments, however the fair value is Nil
- (iv) In previous year, Ciqua Limited has converted 27,876,274 loan notes of GBP 0.01 each into 2,815,787 ordinary shares of GBP 0.01 each. As at March 31, 2020 the company is in the process of liquidation
- (v) Investment sold during the year

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7(c) Loans

	Non-Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Inter Corporate Loans#				
with related parties (refer note 25)	3.60	-	3.60	2.42
Others	-	-	22.84	272.21
Security deposits	151.74	104.50	42.89	29.00
Less: Loss allowance for security deposits	(0.11)	(0.11)	-	-
	155.23	104.39	69.33	303.63
Break-up of security details				
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Secured, considered good	-	-	-	-
Unsecured, considered good	155.23	104.39	69.33	303.63
Security deposit which have significant increase in credit risk	0.11	0.11	-	-
Security deposit Credit Impaired	-	-	-	-
	155.34	104.50	69.33	303.63
Loss allowance	(0.11)	(0.11)	-	-
Total Loans	155.23	104.39	69.33	303.63

#As on March 31, 2020, the inter corporate loan includes loans given to one subsidiary and other party 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 9.85% to 12%.

As on March 31, 2019, the inter corporate loan includes loans given to one subsidiary and other parties 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 8% to 11%.



7(d) Other financial assets

Bank balances

Deposits with original maturity for more than 12 months (Refer note 10(a)(b) & 10(a)(c))

Others

Loan to employees

Other advances recoverable in cash

Accrued Interest on Debt Instruments measured at amortised cost

Interest accrued but not due on fixed deposits

Derivative Asset

Other receivable from other parties (Refer note 35)

Unbilled revenue

Unbilled revenue - related parties (Refer note 25)

Less: Loss allowance for unbilled revenue

A

Amount recoverable from Payment Gateway banks*

Unsecured, considered good

Amount recoverable from other parties

Amount recoverable from related parties (Refer note 25)

Unsecured, considered doubtful

Amount recoverable from other parties

Less : Loss allowance

B

Unsecured, considered good

Amount recoverable from related parties (Refer note 25)

Amount recoverable from other parties (Refer note 35)

Unsecured, considered doubtful

Amount recoverable from related parties (Refer note 25)

Less : Loss allowance for recoverable from related parties

C

Total [A+B+C]

	Non Current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Bank balances				
Deposits with original maturity for more than 12 months (Refer note 10(a)(b) & 10(a)(c))	1,350.16	2.99	83.76	98.48
Others				
Loan to employees	-	-	-	3.24
Other advances recoverable in cash	-	-	9.33	18.21
Accrued Interest on Debt Instruments measured at amortised cost	-	-	8.06	7.43
Interest accrued but not due on fixed deposits	22.23	0.32	3.31	3.69
Derivative Asset	20.93	-	-	-
Other receivable from other parties (Refer note 35)	564.26	-	-	-
Unbilled revenue	-	-	146.58	204.34
Unbilled revenue - related parties (Refer note 25)	-	-	18.47	-
Less: Loss allowance for unbilled revenue	-	-	(20.08)	(17.80)
A	1,957.58	3.31	249.43	317.59
Amount recoverable from Payment Gateway banks*				
Unsecured, considered good				
Amount recoverable from other parties	-	-	261.14	650.71
Amount recoverable from related parties (Refer note 25)	-	-	286.39	511.03
Unsecured, considered doubtful				
Amount recoverable from other parties	-	-	3.04	3.04
Less : Loss allowance	-	-	(3.04)	(3.04)
B	-	-	547.53	1,161.74
Unsecured, considered good				
Amount recoverable from related parties (Refer note 25)	12.83	25.09	186.31	116.25
Amount recoverable from other parties (Refer note 35)	-	108.41	129.57	297.25
Unsecured, considered doubtful				
Amount recoverable from related parties (Refer note 25)	-	-	3.39	3.39
Less : Loss allowance for recoverable from related parties	12.83	133.50	319.27	416.89
	-	-	(3.39)	(3.39)
C	12.83	133.50	315.88	413.50
Total [A+B+C]	1,970.41	136.81	1,112.84	1,892.83

* 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Trade receivables (Note 8)	-	-	327.50	242.21
Cash and cash equivalents (Note 10(a))	-	-	285.60	235.22
Bank balances other than cash and cash equivalents (Note 10(b))	-	-	-	6.21
Security deposits (Note 7(c))	151.63	104.39	42.88	29.00
Inter corporate loans (Note 7(c))	3.60	-	26.44	274.63
Others (Note 7(d))	1,949.48	136.81	1,112.84	1,892.83
Investments (Note 7(a) and 7(b))	147.18	-	962.91	99.06
	2,251.89	241.20	2,758.17	2,779.16

Break up of financial assets carried at fair value

	Non-current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Investments at fair value through OCI (Refer note 7(b))	2.65	3.03	-	-
Investments at fair value through Profit and loss (Refer note 7(a) & 7(b))	72.87	97.16	2,192.60	2,373.59
Derivative Asset fair value through Profit and loss (Refer Note 7(d))	20.93	-	-	-
	96.45	100.19	2,192.60	2,373.59



8. Trade receivables

	As at March 31, 2020	As at March 31, 2019
Trade Receivables	349.77	262.75
Receivables from related parties (Refer Notes (i) & (ii) below)	66.10	51.87
Receivables from other parties (Refer note 35)	19.32	1.80
Less: Loss allowance	(107.69)	(74.21)
	327.50	242.21
Current	327.50	242.21
Non-current	-	-

Break-up of security details

	As at March 31, 2020	As at March 31, 2019
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	363.33	264.98
Trade receivable which have significant increase in credit risk	-	-
Trade receivable Credit Impaired	71.86	51.44
	435.19	316.42
Less: Loss allowance	(107.69)	(74.21)
Total Trade receivables	327.50	242.21

(i) No trade or other receivable are due from directors or other officers of the 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 25.

(ii) For related party receivables, refer note 25

(iii) Trade receivables are non-interest bearing and carry a credit period of upto 90 days

9. Other assets

	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Capital advances				
Unsecured, considered good	5.27	2.27	-	-
Doubtful	0.08	0.08	-	-
	5.35	2.35	-	-
Less Provision for doubtful advances	(0.08)	(0.08)	-	-
	5.27	2.27	-	-
Advances other than capital advances				
Advances to vendors				
Unsecured, considered good	20.27	99.91	568.92	842.44
Doubtful	-	-	4.80	4.72
	20.27	99.91	573.72	847.16
Less Provision for doubtful advances	-	-	(4.80)	(4.72)
	20.27	99.91	568.92	842.44
Others				
Balances with government authorities :				
Goods and service tax input credit	27.55	-	495.88	366.68
Value Added Tax (VAT) credit receivable	-	-	-	0.19
Prepayments	30.91	38.86	54.98	63.50
Advances to related parties* (refer note 25)	-	-	166.93	112.02
	58.46	38.86	717.79	542.39
Total (A+B+C)	84.00	141.04	1,286.71	1,384.83

*No advances are recoverable from directors or other officers of the 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 25.

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10(a). Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Cash and cheque on hand	3.37	0.03
Balance with banks		
- On current accounts	272.73	235.19
On cash credit account		
- Deposits with original maturity for less than 3 months	9.50	-
	285.60	235.22

Notes :

- (a) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period
 (b) Fixed deposits included in note 7(d) and 10(b) are marked under lien by banks for guarantees amounting to INR 57.31 (March 31, 2019 : INR 107.38) issued against various contracts
 (c) Fixed deposits included in note 7(d) and 10(b) with a carrying amount of NIL (March 31, 2019 : INR 0.30) are subject to first charge to secure the Company's Working Capital facility

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at March 31, 2020	As at March 31, 2019
Cash and cheque on hand	3.37	0.03
Balance with banks		
- On current accounts	272.73	235.19
- Deposits with original maturity of less than 3 months	9.50	-
	285.60	235.22
Other bank balances		
Bank overdraft*		(695.50)
Working capital demand loan*	(128.18)	-
	(128.18)	(695.50)
Cash and cash equivalents for the purpose of cash flow statement	157.42	(460.28)

*Bank borrowings are generally considered to be financing activities. However, bank overdrafts and working capital demand loan which are repayable on demand and form an integral part of an entity's cash management, accordingly, bank overdrafts and working capital demand loan are included as a component of cash and cash equivalents

10(b). Bank balances other than cash and cash equivalents

	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 note 10(a)(b) & 10(a)(c))	-	6.21
	-	6.21

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11. Equity Share Capital and other equity

11 (a). Share Capital

	Number of Shares	Amount
Authorised equity share capital		
As at April 01, 2018	5,61,00,000	56.10
Increase/ (decrease) during the year	4,80,06,600	48.01
As at March 31, 2019	10,41,06,600	104.11
Increase/ (decrease) during the year	-	-
As at March 31, 2020	10,41,06,600	104.11
Authorized preference share capital		
As at April 01, 2018	27,59,000	48.01
Increase/ (decrease) during the year*	(27,59,000)	(48.01)
As at March 31, 2019	-	-
Increase/ (decrease) during the year	-	-
As at March 31, 2020	-	-

*Converted into authorised equity share capital in the ratio 1: 17.4

Terms/ rights attached to equity shares

All the equity shares issued to investors and other shareholders 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, 2020	As at March 31, 2019
60,435,025 (March 31, 2019 : 57,533,866) equity shares of INR 10 each fully paid up	60.43	57.53
Total issued, subscribed and fully paid-up share capital	60.43	57.53

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2020		March 31, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year*	5,72,56,129	57.53	5,49,98,632	55.32
Shares issued during the year#	28,03,511	2.77	20,94,650	2.05
Shares issued during the year - ESOP (Refer note 24)	1,28,015	0.13	1,62,847	0.16
Shares outstanding at the end of the year*	6,01,87,655	60.43	5,72,56,129	57.53

* Net of treasury shares 247,370 (March 31, 2019: 277,737) at nil cost through employee welfare trust (refer note 2.2(m))

Shares issued during the year includes 30,367 (March 31, 2019: 48,902) shares issued out of treasury shares

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

Name of shareholder	March 31, 2020		March 31, 2019	
	Number of Shares held	% holding	Number of Shares	% holding
Antfin (Netherlands) Holding B V	1,83,30,122	30.33%	-	-
Alipay Singapore E-Commerce Private Limited	-	-	1,75,44,525	30.49%
SVF India Holding (Cayman) Limited	1,13,26,223	18.74%	1,13,26,223	19.69%
Mr Vijay Shekhar Sharma	90,51,624	14.98%	90,51,624	15.73%
SAIF III Mauritius Company Limited	74,91,061	12.40%	74,91,061	13.02%
Alibaba.com Singapore E-Commerce Private Limited	44,28,214	7.33%	44,28,214	7.70%
SAIF Partners India IV Limited	31,80,202	5.26%	31,80,202	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 24)

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 date:

The Company has not issued any shares for consideration other than cash during the current year (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 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 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 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 173.63 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 Company in LS for INR 77.40 and the Company further infusing INR 83.53 in LI. The buyback resulted in the Company recording gain of INR 44.11. Company's obligation to issue further shares amounting to INR 173.63 to other shareholders of LI was disclosed as "Instruments entirely equity in nature" under Equity as at March 31, 2018. During the previous year March 31, 2019, the Company had allotted shares amounting to Rs. 172.59 based on the share swap report. This had resulted in an adjustment of Rs. 1.04 in the carrying value of investments in Little India Private Limited.

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11 (b). Other equity

	As at March 31, 2020	As at March 31, 2019
I. Reserve and Surplus		
Securities premium	18,895.72	13,822.69
Employee stock options outstanding account (ESOP Reserve)	303.01	198.46*
Retained earnings	(10,845.12)	(8,040.40)
Total reserve and surplus (A)	8,353.61	5,980.75
(I) Securities premium		
Opening balance	13,822.69	11,324.23
Add: transferred from ESOP Reserve on exercise of stock options	35.92	18.69
Add: amount received during the year on issue of shares	5,051.15	2,187.41
Add: shares issued for consideration other than cash	-	294.75
Less: amount utilized towards share issue expenses	(14.04)	(2.39)
Balance at the end of the year	18,895.72	13,822.69
(II) Employee stock options outstanding account (ESOP Reserve)		
Opening balance	198.46	127.70
Add: Share based payment expense (refer note 24)	123.53	86.06
Add: Share based payment for employees of group companies (refer note 24)	45.56	25.90
Less: amount transferred to securities premium on exercise of stock options	(35.92)	(18.69)
Less: reversal on forfeiture of stock options (refer note 24)	(0.19)	(3.44)
Less: adjustment on cancellation of unvested ESOP (refer note 24)	(28.43)	(19.07)
Balance at the end of the year	303.01	198.46
(III) Retained earnings		
Opening balance	(8,040.40)	(4,101.84)
Loss for the year	(2,833.18)	(3,959.64)
Less: remeasurement of post-employee benefit obligation	(0.70)	(1.43)
Add: transfer from employee stock options outstanding account (refer note 24)	0.19	3.44
Add: adjustment on cancellation of unvested ESOP (refer note 24)	28.43	19.07
Add: transfer from FVTOCI to retained earning on account of derecognition of assets	0.54	-
Balance at the end of the year	(10,845.12)	(8,040.40)
2. Share application money pending allotment		
Opening balance	-	0.05
Less: Exercise of share options	-	(0.05)
Receipt of share application money	-	-
Balance at the end of the year (B)	-	-
3. Other reserves- FVTOCI		
Opening balance	(2.25)	(3.54)
Net change in fair value of equity instruments at FVTOCI	0.20	1.29
Transfer of FVTOCI to retained earning on account of derecognition of assets	(0.54)	-
Balance at the end of the year (C)	(2.59)	(2.25)
Total other equity (A+B+C)	8,351.02	5,978.50

* Amount below rounding off norms adopted by the Company

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 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 Company transfers amounts from this reserve to retained earning when relevant equity securities are derecognised.

12. Provisions

	Non-current		Current	
	As at March 31, 2020	March 31, 2019	As at March 31, 2020	March 31, 2019
Provision for employee benefits				
Provision for gratuity (refer note 26)	16.68	8.65	-	-
Provision for leave benefits*	-	-	47.16	37.63
	16.68	8.65	47.16	37.63

*The entire amount of the provision of INR 47.16 (March 31, 2019 INR 37.63) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the company 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 35.81 (March 31, 2019 INR 28.05).

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13. Financial liabilities

(a) Borrowings

	Non-current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Secured				
Loan repayable on demand- bank overdraft (refer note (i) below)	-	-	-	695.50
Working capital demand loan (refer note (i) below)	-	-	128.18	-
Term loan (refer note (iii) below)	-	-	72.91	-
	-	-	201.09	695.50
Unsecured				
Deferred payment liabilities from Noida authority* (refer note (ii) below)	-	36.91	-	-
	-	36.91	-	-
	-	36.91	201.09	695.50
Total borrowings				
Less: Current maturities of deferred payment liabilities (Refer note 13(c))	-	9.95	-	-
Total borrowings (as per Balance Sheet)	-	26.96	201.09	695.50

Note:

(i) Working capital demand loan and Bank Overdraft (borrowing in INR) are repayable on demand and carry interest at I-MCLR and "spread" per annum. As on the reporting date, I-MCLR is 7.95% (March 31, 2019 8.15%) and spread is 1% (March 31, 2019: 1.2%). Working capital demand loan and Bank overdraft are secured by way of hypothecation on the entire current assets, pledge on mutual funds (INR 140) and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director.

(ii) Deferred payment liabilities to Noida Authority (in INR) is in respect of land acquired on finance lease, is repayable in eight equal half yearly installments, with first instalment starting from December 31, 2018 and carry interest at the rate of 11 percent per annum compounded half yearly. The lessor has a right to cancel the allotment in the event of default.

In the current year the Deferred payment liabilities to Noida Authority (in INR) is in respect of land acquired on finance lease has accounted as per IND AS 116 and have been disclosed under lease liability in the balance sheet (Refer Note 3(b)).

*New Okhla Industrial Development Authority, Uttar Pradesh

(iii) Term Loan (in INR) is in respect of point of sale (POS) machine business segment, principal amount of each tranche is 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 tranche -1, tranche-2 and tranche-3 carry different I-MCLR rate i.e. 8.55%, 8.35% and 8.25% respectively but with same spread i.e. 1.2%. Term loan are secured by way of hypothecation on the entire current assets, pledge on mutual funds (INR 140) and also backed by irrevocable and personal guarantee of Mr. Vijay Shekhar Sharma, Chairman and Managing Director

Net debt reconciliation

	March 31, 2020		March 31, 2019	
	Non current borrowings	Current borrowings	Non current borrowings*	Current borrowings
Opening net debt	-	695.50	-	241.65
Cash flows/ assets acquired	-	(494.65)	36.00	453.85
Interest expense	-	45.31	4.43	10.57
Interest paid	-	(45.07)	(3.52)	(10.57)
Closing net debt	-	201.09	36.91	695.50

*includes INR 9.95 classified as current maturities of deferred payment liabilities under other financial liabilities

(b) Trade payables

	As at		As at	
	March 31, 2020	Mar 31, 2019	March 31, 2020	Mar 31, 2019
Current				
Trade payables#			471.54	543.20
Trade payables to related parties (Refer note 25)			101.84	120.54
Trade payables to other parties (Refer note 35)			-	9.54
			573.38	673.28
#refer note 29 for MSMED disclosure				
(i) Total Outstanding dues of micro and small enterprises			11.33	11.24
(ii) Total Outstanding dues other than (i) above			562.05	662.04
			573.38	673.28

(c) Other financial liabilities

	As at		As at	
	March 31, 2020	Mar 31, 2019	March 31, 2020	Mar 31, 2019
Current				
Payable to merchants*			6.55	557.39
Current maturities of deferred payment liabilities (including interest accrued and not due) (Refer note 13(a))			-	9.95
Payable on purchase of fixed assets			0.87	41.99
Payable on purchase of fixed assets- related parties (Refer note 25)			2.51	1.60
Employee benefits payable			112.31	57.17
Other amount received from customers			60.31	24.75
Other amount received from customers- related parties (Refer note 25)			-	0.15
Others			16.05	2.53
Others- related parties (Refer note 25)			-	3.10
Others- Other parties (Refer note 35)			0.55	0.55
			199.15	699.18

*The 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. The amounts collected but yet to be transferred to merchants are netted off with nodal account having balance of INR 427.27 (March 31, 2019: INR 197.16). Gross payable to merchant includes payable to related parties (refer note 25) INR 22.71 (March 2019: 244.69) and to other parties (refer note 35) INR 6.60 (March 2019: 42.67)

Terms and conditions of the above financial liabilities:

(i) Trade and other payables are non-interest bearing and carry credit period of upto 60 days

Note: All financial liabilities are carried at amortized cost



Standalone Financial Statements

One97 Communications Limited

CIN: U7200DL2000PLC108985

Notes to the Standalone Financial Statements for the year ended March 31, 2020

(Amounts in INR Crores, unless otherwise stated)

14 (a) Other current liabilities

	Current	
	As at March 31, 2020	As at Mar 31, 2019
Other payable	7.95	*
Deferred Revenue	22.71	-
Statutory dues payable:		
Tax deducted at source payable	24.11	29.65
GST Payable	149.51	115.07
Tax collected at source payable	6.86	6.76
Provident fund payable	1.26	1.46
Other statutory dues	5.11	0.09
	217.51	153.03

* amount below rounding off norms adopted by the Company

14 (b) Contract liabilities

	Non-current		Current	
	As at		As at	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Contract liabilities	342.25	-	294.35	352.87
	342.25	-	294.35	352.87
Revenue recognized in relation to carried forward contract liabilities				
Contract liabilities recognized as revenue during the year			338.21	-
			338.21	-



	Year ended March 31, 2020	Year ended March 31, 2019
15. Revenue from operations		
Revenue from contracts with customers		
Sale of services (refer notes (i) below)	2,859.84	3,049.87
Other operating revenue - recovery of marketing expense (refer note 35)	255.26	-
	<u>3,115.10</u>	<u>3,049.87</u>

i) Refer note 34 for disaggregated details of revenue from operations and refer note 28(a)(ii) for rental income.

	Year ended March 31, 2020	Year ended March 31, 2019
16. Other Income		
Gain on sale of Investments measured at FVTPL (net)	73.74	114.86
Fair value gain on financial instruments measured at FVTPL (net)	16.25	101.32
Profit on sale of property, plant and equipment (net)	1.10	0.82
Liabilities / Provision no longer required written back	5.12	5.91
Exchange differences (net)	-	2.82
Miscellaneous Income	2.54	0.65
Interest income		
-on bank deposits	31.12	11.42
-Interest on Income tax refund	8.23	4.19
-Interest on Inter corporate loans - measured at amortized cost	14.64	1.07
-Interest Income on unwinding of discount - financial assets measured at amortized cost	67.34	45.47
-Interest Income on debentures -measured at amortized cost	10.13	50.22
Other non operating income	5.28	2.99
	<u>235.49</u>	<u>341.74</u>

	Year ended March 31, 2020	Year ended March 31, 2019
17. Employee benefits expense		
Salaries, bonus and incentives	649.27	487.67
Contribution to provident and other funds	11.30	11.06
Share based payment expenses (refer Note 24)	123.52	85.95
Leave Encashment Expense	22.42	20.51
Gratuity expenses (refer Note 26)	6.85	6.01
Staff welfare expenses	11.76	16.58
	<u>825.12</u>	<u>627.78</u>

	Year ended March 31, 2020	Year ended March 31, 2019
18. Finance costs		
Interest		
- Interest and finance charges on lease liabilities	20.40	-
- on borrowings at amortised cost	24.91	15.00
- Interest on late deposit on statutory dues	0.03	0.37
- on others	0.22	1.13
	<u>45.56</u>	<u>16.50</u>

	Year ended March 31, 2020	Year ended March 31, 2019
19. Depreciation and amortization expense		
Depreciation of property, plant and equipment	115.97	69.20
Depreciation on right-of-use-assets*	19.82	-
Amortisation of intangible assets	7.39	6.61
	<u>143.18</u>	<u>75.81</u>

*This amount is net of cross charge of INR 11.60 (refer note 3(b))

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	Year ended March 31, 2020	Year ended March 31, 2019
20. Other expenses		
Payment gateway expenses	2,250.29	2,241.56
Connectivity and content fees	377.78	277.62
Customer and merchant onboarding expenses	81.34	43.68
Contest expenses	8.26	12.20
Communication costs	33.83	29.97
Legal and professional fees	139.78	90.95
Marketing and business promotion expenses	998.69	2,805.01
Advertisement expenses	433.85	561.54
Subcontract expenses	248.21	271.20
Corporate Social Responsibility (CSR) expenditure (Refer Note 38)	0.82	1.59
Fixed assets written off	0.03	0.06
Insurance	6.26	8.15
Bank Charges	4.93	3.52
Payment to auditors (Refer details below)	1.09	1.23
Postage and Courier	4.14	3.54
Power and fuel	8.79	9.38
Printing and stationery	1.01	1.48
Trade receivables / advance written off	1.96	-
Provision for doubtful advances and unbilled receivables	2.36	12.27
Provision for impairment of trade receivables	33.48	12.69
Repair and maintenance - Buildings	12.80	14.24
Repair and maintenance - Others	30.11	17.95
Repair and maintenance - Plant and machinery	20.52	39.52
Rates and taxes	3.93	5.36
Rent (Refer Note 28)	5.88	17.89
Goods and Service tax expense expense off	1.47	7.88
Fair value loss on Financials assets	88.08	-
Travelling and conveyance	27.49	34.27
Exchange differences (net)	5.64	-
Miscellaneous expenses	14.86	9.96
	4,847.68	6,534.71
Payment to Auditors		
As auditors		
-Audit fee	0.51	0.40
-Tax audit fee	0.03	0.02
-Limited Review (Including fee paid to previous auditors in the previous year)	0.38	0.70
In other capacity		
-Other Services (Certification fees)	0.14	0.06
-Reimbursement of expenses (Including fee paid to previous auditors in the previous year)	0.03	0.05
	1.09	1.23

* Amount below rounding off norms adopted by the Company

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21. Exceptional Items

	Year ended March 31, 2020	Year ended March 31, 2019
Gain on sale of gaming business (refer note 32)	=	42.20
Loss on sale of investment in associates and subsidiaries (refer note (d) and (e) below)	(10.51)	=
Provision for impairment of investments in associates and subsidiaries (refer note (b) and (c) below)	(311.67)	(133.22)
	(322.18)	(91.02)

- a) On April 9, 2018, shareholders of the 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 Company) and 45% shares held by AGTech Media Holdings Limited. The Company had transferred its online gaming business on June 1, 2018 to Gamepind Entertainment Private Limited on a going concern basis for a consideration of INR 33.91. The net liabilities of the business transferred were INR 8.29. The Company had recognised a gain of INR 42.20 which has been disclosed as exceptional gain in the Standalone Statement of Profit and Loss for the year ended March 31, 2019.
- b) The Company basis its assessment of future business projections of its subsidiaries i.e. Orbgen Technologies Private Limited, Little Internet Private Limited and Wasteland Entertainment Private Limited has recognized provision for impairment in the carrying value of its investments of INR 43.40, INR 220.27 and INR 30 (March 31, 2019 : INR 75.11, INR 51 and Nil) respectively which has been shown as exceptional item in the Standalone Statement of Profit and Loss for the year ended March 31, 2020. The impairment loss for Orbgen Technologies Private Limited, Little Internet Private Limited and Wasteland Entertainment 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. The management has computed equity value of Orbgen Technologies Private Limited and Wasteland Entertainment Private Limited based on discount rate of 18.4% and 25% and terminal growth rate used in extrapolating cash flows beyond the planning period of 2 and 1.78 times of revenue, respectively, of the terminal year. For Little Internet Private Limited management has computed equity value on a discount rate of 17.6% and have applied terminal growth rate which is 4 times of profit after tax beyond the planning period.
- c) The Company basis its assessment of future business projections of one of its associates i.e. Loginext Solutions Private Limited has recognized provision of INR 18 and INR 4.55 for impairment in the carrying value of its investment which has been shown as exceptional item in the statement of Profit and loss for the year ended March 31, 2020 and March 31, 2019 respectively.
- d) In the current financial year the Company had entered into a Share Purchase Agreement to acquire 40% stake in Blueface Technologies Private Limited ('Blueface') and had invested 9.86 crore for acquisition of 40% holding. Further during the current year, the Company had sold its 40% stake in Blueface Technologies Private Limited ('Blueface') for a cash consideration of INR 0.03 and recognized a loss of INR 9.83.
- e) On September 10, 2019, the Company entered into a sale agreement to dispose of its investment in subsidiary Cube26 Software Private Limited resulting in loss of INR 0.68.
- f) During the year ended March 31, 2019, the investments in compulsory convertible debentures (CCDs) in QorQL Private limited (QorQL) were converted into equity shares. Such conversion resulted in QorQL becoming a wholly owned subsidiary of the Company. On conversion, the Company, basis its assessment of operations of QorQL and its future business projections, recognised provision of INR 2.00 towards impairment in the carrying value of its investment. During the year ended March 31, 2019, the Company has further invested INR 0.56 in QorQL, which has been fully impaired.

22. Earnings per shares (EPS)

Basic EPS amounts are calculated by dividing the profit/ (loss) for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period 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, 2020	Year ended March 31, 2019
Loss attributable to equity holders:		
Continuing operations	(2,833.18)	(3,954.33)
Discontinued operation	=	(5.31)
Loss attributable to equity holders for basic earnings	(2,833.18)	(3,959.64)
Weighted average number of equity shares for basic EPS	5,82,25,828	5,60,87,996
Earnings per share for continuing operations		
Basic and Diluted earnings per equity share (INR per share)*	(486.58)	(705.02)
Earnings per share for discontinued operations		
Basic and Diluted earnings per equity share (INR per share)*	=	(0.95)
Earnings per share for continuing and discontinued operations		
Basic and Diluted earnings per equity share (INR per share)*	(486.58)	(705.97)

* In view of losses during the current year and previous year, 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.



23. Significant accounting judgements, estimates and assumptions

The preparation of the Company's Standalone Financial Statements 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

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 utilised. As the Company is yet to generate operating profits, Management has assessed that as at March 31, 2020 it is not probable that such deferred tax assets can be realised in excess of available taxable temporary differences. Management re-assesses unrecognised deferred tax assets at each reporting date and recognises 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 27.

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 in India, the management considers the interest rates of government bonds in India. The mortality rate is based on publicly available mortality tables for India. 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 26.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the standalone 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 30.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit risk associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk.

Impairment reviews

Investments in subsidiaries and associates are tested for impairment at-least on an annual basis and when events that occur / changes in circumstances - indicate that the recoverable amount is less than its carrying value. In calculating the value in use, the Company 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. For details about impairment reviews, refer note 21.



24. Employee share based payments

During the year ended March 31, 2009, the 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 Company has appropriated 795,056 options of INR10 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 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 Company till March 31, 2007 is INR10 per option and for 561,454 options granted to employees joining between April 01, 2007 and December 31, 2008 the exercise price is Rs 49 per option.

On September 03, 2010, the Company has 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 have 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 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 Company has 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 have 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%



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On December 29, 2012, the Company has 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.

These options have 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 Company has 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 have 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 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 Company has 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 Company has appropriated 491,722 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, 2016	10%
April 1, 2017	20%
April 1, 2018	30%
April 1, 2019	40%



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On September 30, 2015, the 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.

On October 01, 2015 the Company has appropriated 104,864 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 1,2016	10%
October 1,2017	20%
October 1,2018	30%
October 1,2019	40%

On April 01, 2016 the Company has appropriated 395,325 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 1,2017	10%
April 1,2018	20%
April 1,2019	30%
April 1,2020	40%

On October 01, 2016 the Company has appropriated 97,031 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 1,2017	10%
October 1,2018	20%
October 1,2019	30%
October 1,2020	40%

On April 01, 2017 the Company has 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%



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On October 01, 2017 the Company has 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%

On April 01, 2018 the Company has 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 Company has 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%

Certain options will be vested upon achievement of operational performance targets as determined by the Board of Directors.

On October 01, 2018 the Company has 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%



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On January 01, 2019 the Company has 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 April 01, 2019 the Company has appropriated 125,408 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 1,2020	10%
April 1,2021	20%
April 1,2022	30%
April 1,2023	40%

On April 01, 2019 the Company has 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	15%
April 1,2022	20%
April 1,2023	25%
April 1,2024	30%

On April 01, 2019 the Company has 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 October 01, 2019 the Company has 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	15%
October 1,2022	20%
October 1,2023	25%
October 1,2024	30%



Certain options will be vested upon achievement of operational performance targets as determined by the Board of Directors.

All the above options issued by the Company are Equity Settled and the vested employee stock options expire in 5 years from the date of vesting.

On March 22, 2019, the Company's shareholders in an extra ordinary general meeting authorized the Chief Executive Office/Managing Director of the Company to approve the cancellation/modification of unvested employee stock options with the prior consent of the employees. Pursuant to this, the Company has cancelled 95,561 outstanding unvested employee stock options, with prior consent of the employees. This cancellation has resulted into an accelerated share based payment expense of INR 6.16 in the Standalone Statement of Profit and Loss.

On September 04, 2019, 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 28.43 in the Standalone Statement of Profit and Loss.

The total options outstanding as at March 31, 2020 are 877,070 (March 31, 2019: 960,743) out of which 11,297 (March 31, 2019: 15,141) options have an exercise price of INR 10 each, 2,590 (March 31, 2019: 2,868) options have an exercise price of INR 49 each, 127,544 (March 31, 2019: 127,544) options have an exercise price of INR 180 each and 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	Exercise Price
	March 31, 2020	March 31, 2019	
December 31, 2008	11,297	15,141	10
December 31, 2008	2,590	2,868	49
September 03, 2010	250	250	180
December 29, 2012	127,294	127,294	180
April 01, 2014	2,464	9,420	90
April 01, 2015	4,901	38,148	90
October 01, 2015	11,074	24,362	90
April 01, 2016	83,340	123,260	90
October 01, 2016	54,137	66,473	90
April 01, 2017	150,563	203,226	90
October 01, 2017	19,302	20,552	90
April 01, 2018	159,456	212,596	90
July 01, 2018	40,958	45,649	90
October 01, 2018	10,483	23,546	90
January 01, 2019	47,958	47,958	90
April 01, 2019	3,190	-	90
April 01, 2019	72,920	-	90
April 01, 2019	4,375	-	90
October 01, 2019	70,518	-	90
	877,070	960,743	



Movements during the year

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

Particulars	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		INR		INR
	March 31, 2020		March 31, 2019	
Outstanding at the beginning of the year	960,743	100.56	988,521	100.74
Options granted during the year	288,777	90.00	371,915	90.00
Options exercised during the year**	(127,850)	87.50	(157,960)	93.25
Options forfeited during the year	(159,986)	90.00	(146,172)	89.66
Options cancelled during the year	(84,614)	90.00	(95,561)	90.00
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	877,070	101.93	960,743	100.56
Vested options outstanding at the end of the year (exercisable)	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, 2020 was 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, 2020 was 4.55 years (March 31, 2019: 5.71 years).

The weighted average fair value of options granted during the year was INR 8,757.29 per option (March 31, 2019 was INR 6,181.35 per option).

The expense recognised for employee services received during the year is shown in the following table:

	March 31, 2020	March 31, 2019
Expense arising from equity-settled share-based payment transactions (refer note 17)*	123.53	86.06
Investment (ESOP issued to employees of subsidiary companies)	45.56	25.90
Total expense arising from share-based payment transactions	169.09	111.96

*Including expenses of discontinued operations for the year ended March 31, 2020: INR 0.00 (March 31, 2019: INR 0.11)



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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%

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%

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.



25 Related party transactions

A. Entities over which company exercise control

Name	Country of incorporation
Indian Subsidiaries	
One97 Communications India Limited	India
Paytm Financial Services Limited	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
OoROL Private Limited (w.e.f. June 01, 2018)	India
Orbgen Technologies Private Limited (w.e.f. June 01, 2018)	India
Paytm Services Private Limited (Formerly known as Balance Technology Private Limited) (w.e.f. July 31, 2018)	India
Cube26 Software Private Limited (from 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 standalone financial statements of the Company.

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) (wholly owned subsidiary of Paytm First Games Private Limited)*	Singapore

* The entity is into business of online gaming. It is a strategic investment which utilises group's knowledge and expertise in online space.

C. Entities over which company exercise significant influence

Name	Country of incorporation
Loginext Solutions Private Limited	India
Socomo Technologies Private Limited	India
Paytm Payments Bank Limited	India
OoROL Private Limited (till May 31, 2018)	India
Paytm General Insurance Limited	India
Paytm Life Insurance Limited	India
Blueface Technologies Private Limited (w.e.f. April 26, 2019 till February 10, 2020)	India
Infinity Transsoft Solution Private Limited (w.e.f. August 16, 2019)	India
Eatgood Technologies Private Limited (w.e.f. December 2, 2019)	India

D. Key Management Personnel

Vijay Shekhar Sharma	Chairman and Managing Director
Madhur Deora	Chief Financial Officer (till September 3, 2019)
Vikas Garg	Chief Financial Officer (w.e.f. March 1, 2020)

E. Entities having significant influence over the Company

SAIF III Mauritius Company Limited
 SAIF Partners India V Limited
 SAIF Partners India IV Limited
 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)

F. Relatives of Individuals owning interest in the voting power of the Company that gives the control or significant influence

Ajay Shekhar Sharma

Brother of Mr. Vijay Shekhar Sharma



Details of transactions with related parties during the period ended March 31, 2020 and March 31, 2019:-

Particulars	March 31, 2020	March 31, 2019
Rendering of services to related parties		
One97 Communications Nigeria Ltd	0.05	0.14
One97 Communications FZ-LLC	0.99	0.20
Mobiquest Mobile Technologies Private Limited	8.37	6.16
Paytm Payments Bank Limited	875.24	927.75
Wasteland Entertainment Private Limited	4.95	1.10
Nearbuy India Private Limited	3.20	2.64
Little Internet Private Limited	0.19	0.90
Orbgen Technologies Private Limited	2.07	0.64
Paytm Labs Inc.	-	0.12
One97 Communications Tanzania Private Limited	0.28	0.14
One97 Uganda Limited	-	0.02
One97 Benin SA	*	0.02
Paytm Money Limited	2.46	0.74
Paytm First Games Private Limited	8.84	1.41
Infinity Transoft Solution Private Limited	1.50	-
Eatgood Technologies Private Limited	0.53	-
Socomo Technologies Private Limited	-	0.02
One97 Communications Malaysia Sdn. Bdn	21.14	-
One97 Communications Singapore Private Limited	0.02	-
One97 Communications Bangladesh Private Limited	0.10	-
One Nine Seven Communication Nepal Private Limited	4.81	0.05
	934.74	942.05
Reimbursement of expenses incurred on behalf of related parties		
Paytm Payments Bank Limited	94.53	146.59
Mobiquest Mobile Technologies Private Limited	0.02	0.15
Paytm Money Limited	4.71	1.51
Paytm First Games Private Limited	4.24	2.26
Paytm Labs Inc.	5.64	13.94
One97 Communications Malaysia Sdn. Bdn	-	8.58
Paytm Services Private Limited	0.19	-
Paytm Insurance Broking Private Limited	0.27	-
	109.60	173.03
Interest income earned from related parties		
Paytm Payments Bank Limited	2.64	3.86
Urja Money Private Limited	0.23	0.24
Little Internet Private Limited	0.21	-
	3.08	4.10
Gain on sale of business		
Paytm First Games Private Limited	-	42.20
	-	42.20
Purchase of property, plant & equipment from related parties		
One97 Ivory Coast SA	0.16	-
QoROL Private Limited	-	0.17
Paytm Services Private Limited	-	0.01
	0.16	0.18
Sale of property, plant & equipment to related parties		
One Nine Seven Communication Nepal Private Limited	0.14	-
Paytm Money Limited	0.17	0.15
Paytm Payments Bank Limited	18.57	-
	18.88	0.15



Particulars	March 31, 2020	March 31, 2019
Services received from related parties		
-Payment gateway expenses		
Paytm Payments Bank Limited	968.97	918.30
	968.97	918.30
-Legal and professional fees		
Paytm Labs Inc.	95.75	63.42
	95.75	63.42
-General expenses		
Paytm Payments Bank Limited	109.13	7.11
Alipay Labs (Singapore) Pte Limited	79.34	51.03
Orbgen Technologies Private Limited	2.03	5.46
Wasteland Entertainment Private Limited	9.03	-
Urja Money Private Limited	0.82	-
Fincollect Services Private Limited	0.51	-
Paytm Services Private Limited	27.83	-
Little Internet Private Limited	0.11	-
Nearbuy India Private Limited	0.44	-
Mobiquest Mobile Technologies Private Limited	0.32	-
	229.56	63.60
Issue of equity shares		
SAIF Partners India IV Limited	-	0.13
Alipay Singapore E-Commerce Private Limited	0.79	-
	0.79	0.13
Security premium received		
SAIF Partners India IV Limited	-	99.94
Alipay Singapore E-Commerce Private Limited	1,432.23	-
	1,432.23	99.94
Inter corporate loan given		
Urja Money Private Limited	-	0.22
Little Internet Private Limited	7.00	-
	7.00	0.22
Investment in subsidiaries		
One97 Communications India Limited	-	43.00
Paytm Entertainment Limited	80.48	61.00
Wasteland Entertainment Private Limited	-	84.68
Paytm Money Limited	79.99	68.87
Balance Technology Private Limited	-	1.60
Urja Money Private Limited	8.00	8.00
Orbgen Technologies Private Limited	-	126.53
Little Internet Private Limited (refer note 11(a)(e))	-	(1.04)
Cube26 Software Private Limited	-	0.74
OoRQL Private Limited	-	0.56
Paytm Insurance Broking Private Limited	5.00	-
	173.47	393.94
Stock Options granted to employees of Group Companies		
Paytm Entertainment Limited	3.29	2.82
One97 Communications Singapore Private Limited	19.83	14.21
Paytm Money Limited	5.70	1.48
Orbgen Technologies Private Limited	16.12	7.39
Paytm Insurance Broking Private Limited	0.53	-
Paytm Services Private Limited	0.08	-
One97 Communications India Limited	*	-
Wasteland Entertainment Private Limited	0.01	-
	45.56	25.90
Investment in associates		
Paytm General Insurance Limited	-	0.05
Paytm Life Insurance Limited	-	0.05
Blueface Technologies Private Limited	9.86	-
Infinity Transoft Solution Private Limited	10.00	-
Eatgood Technologies Private Limited	49.00	-
	68.86	0.10



Details of balances outstanding with related parties as at March 31, 2020 and March 31, 2019:-

Particulars	March 31, 2020	March 31, 2019
Other financial assets (Other receivable for expenditure incurred)		
One97 Benin SA	0.50	0.46
One97 Communications FZ-LLC	0.21	0.02
One97 Communications Nigeria Limited	1.22	1.11
One97 Communications Tanzania Private Limited	0.02	-
One97 Ivory Coast SA	0.22	0.20
One97 Uganda Limited	-	0.01
One97 Communications Bangladesh Private Limited	2.00	1.86
Paytm Labs Inc.	53.38	71.21
Paytm Money Limited	2.47	0.88
Paytm First Games Private Limited	6.36	1.22
Mobiquest Mobile Technologies Private Limited	0.48	0.44
Alibaba.com Singapore E-Commerce Private Limited	0.08	0.08
Paytm Payments Bank Limited	7.55	16.71
One97 Communications India Limited	0.03	0.25
Paytm Insurance Broking Private Limited	0.13	-
One Nine Seven Communication Nepal Private Limited	0.35	0.05
One97 Communications Malaysia Sdn. Bdn	-	8.55
Orbgen Technologies Private Limited	0.04	-
One97 Communications Singapore Private Limited	0.06	-
	75.10	103.05
Loss allowance for other receivable for expenditure incurred		
One97 Communications Nigeria Limited	0.55	0.55
One97 Communications Rwanda Private Limited	0.46	0.46
One97 Communications Bangladesh Private Limited	0.63	0.63
One97 Ivory Coast SA	0.33	0.33
One97 Benin SA	0.45	0.45
One97 Uganda Limited	0.76	0.76
Paytm Labs Inc.	0.21	0.21
	3.39	3.39
Amount receivable for sale of business (Other financial assets)		
Paytm Payments Bank Limited	27.50	40.98
	27.50	40.98
Other current asset		
Paytm Payments Bank Limited	150.11	105.98
Wasteland Entertainment Private Limited	11.85	5.86
Paytm Services Private Limited	4.96	-
Little Internet Private Limited	-	0.18
Paytm Financial Services Limited	0.01	-
	166.93	112.02
Inter corporate loan receivable (including accrued interest)		
Little Internet Private Limited	7.19	-
Urja Money Private Limited	-	2.42
	7.19	2.42
Amount receivable from payment gateway		
Paytm Payments Bank Limited	286.39	511.03
	286.39	511.03
Trade receivables		
One97 Communications Nigeria Limited	17.33	15.99
One97 Benin SA	0.01	0.01
One97 Communications Bangladesh Private Limited	0.08	0.07
One97 Uganda Limited	-	0.04
Mobiquest Mobile Technologies Private Limited	8.39	6.04
Paytm Money Limited	0.47	0.34
Paytm Labs Inc.	-	12.06
Paytm Payments Bank Limited	4.06	16.14
Orbgen Technologies Private Limited	0.07	-
Fincollect Services Private Limited	1.27	-
One Nine Seven Communication Nepal Private Limited	3.83	-
One97 Communications Malaysia Sdn. Bdn	26.92	-
Wasteland Entertainment Private Limited	3.67	1.18
	66.10	51.87



Particulars	March 31, 2020	March 31, 2019
Loss allowance for Trade receivables		
One97 Communications Nigeria Limited	13.00	6.00
	13.00	6.00
Other financial assets		
Paytm Payments Bank Limited	114.32	0.13
Orbgen Technologies Private Limited	0.03	0.11
Wasteland Entertainment Private Limited	1.71	-
Mobiquest Mobile Technologies Private Limited	0.49	0.46
Nearbuy India Private Limited	0.20	-
Paytm Insurance Broking Private Limited	0.01	-
One97 Communications Nigeria Ltd	0.03	-
One97 Communications FZ-LLC	0.39	-
One97 Communications Tanzania Private Limited	0.12	-
One97 Benin SA	0.00	-
One97 Communications Bangladesh Private Limited	0.10	-
One97 Communications Singapore Private Limited	0.02	-
One Nine Seven Communication Nepal Private Limited	0.19	-
One97 Communications Malaysia Sdn. Bdn	0.79	-
	118.40	0.70
Trade payables (including accrued expenses)		
Paytm Labs Inc.	-	45.42
One97 Communications India Limited	0.12	-
Alipay Labs (Singapore) Pte Limited	80.90	40.88
Paytm Payments Bank Limited	8.61	16.73
Orbgen Technologies Private Limited	0.04	7.79
Wasteland Entertainment Private Limited	4.43	9.46
Paytm First Games Private Limited	0.04	-
Paytm Services Private Limited	4.93	-
Urja Money Private Limited	0.77	-
Fincollect Services Private Limited	0.51	-
Paytm Insurance Broking Private Limited	0.94	-
Mobiquest Mobile Technologies Private Limited	0.05	-
Paytm General Insurance Limited	0.02	-
Paytm Entertainment Limited	0.01	-
Nearbuy India Private Limited	0.05	-
Little Internet Private Limited	0.09	-
Paytm Money Limited	0.33	0.26
	101.84	120.54
Other financial liability		
-Payable to merchants		
Socomo Technologies Private Limited	0.02	0.02
Little Internet Private Limited	-	0.12
Paytm Payments Bank Limited	13.17	241.29
Nearbuy India Private Limited	0.48	1.93
Orbgen Technologies Private Limited	0.28	1.24
Wasteland Entertainment Private Limited	0.78	-
Paytm First Games Private Limited	7.97	0.09
Fincollect Services Private Limited	0.01	-
	22.71	244.69
-Payable on purchase of fixed assets		
Orbgen Technologies Private Limited	2.21	1.42
QoRQL Private Limited	0.12	0.17
One97 Ivory Coast SA	0.17	-
Paytm Services Private Limited	0.01	0.01
	2.51	1.60
-Others		
One97 Communications Tanzania Private Limited	-	0.53
One97 Uganda Limited	-	0.05
One97 USA Inc.	-	2.52
	-	3.10
Other amount received from customers (Other financial liabilities)		
Socomo Technologies Private Limited	-	0.02
Wasteland Entertainment Private Limited	-	0.02
Little Internet Private Limited	-	0.11
	-	0.15



Particulars	March 31, 2020	March 31, 2019
Contract Liabilities		
Infinity Transoft Solution Private Limited	0.16	-
Orbgen Technologies Private Limited	-	0.02
	0.16	0.02
Balances with banks on current account		
Paytm Payments Bank Limited	*	*
	*	*
Investments		
For details of investments in subsidiaries and associates refer notes 5 and 6		

* Amount below rounding off norms adopted by the Company

Remuneration to KMP & Relatives of Individuals owning interest in the voting power of the Company that gives the control or significant influence

Particulars	March 31, 2020	March 31, 2019
Salaries, bonus and incentives	5.62	6.08
ESOP Expenses	4.54	9.37
Total compensation paid	10.16	15.45

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 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, leave benefits as they are determined on an actuarial basis for the Company as a whole.



26. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the 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 Company makes contributions to recognised fund/insurer in India. The Company 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 Standalone Statement of Profit and Loss and the funded status and amount recognized in the Standalone Balance Sheet
 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	(19.73)	11.08	(8.65)
Gratuity cost charged to profit or loss	(6.18)	-	-
Net interest (expense)/income	(1.51)	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	0.84	-
Sub-total included in profit or loss	(7.69)	0.84	(6.85)
Actuarial changes arising from changes in demographic assumptions	(0.01)	-	-
Actuarial changes arising from changes in financial assumptions	(0.38)	-	-
Experience adjustments	(0.27)	(0.04)	-
Sub-total included in OCI	(0.66)	(0.04)	(0.70)
Net liability transferred on transfer of employees	(0.48)	-	(0.48)
Benefits paid	1.95	(1.95)	-
Contributions by employer	-	-	-
As at March 31, 2020	(26.61)	9.93	(16.68)

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	(15.09)	6.79	(8.30)
Gratuity cost charged to profit or loss	(5.36)	-	-
Net interest (expense)/income	(1.18)	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	0.53	-
Sub-total included in profit or loss	(6.54)	0.53	(6.01)
Actuarial changes arising from changes in demographic assumptions	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.10)	-	-
Experience adjustments	(1.43)	0.10	-
Sub-total included in OCI	(1.53)	0.10	(1.43)
Net liability transferred on transfer of employees	2.39	-	2.39
Benefits paid	1.04	(0.87)	0.17
Contributions by employer	-	4.53	4.53
As at March 31, 2019	(19.73)	11.08	(8.65)

* Fair value of the total plan assets are 100% in funds managed by Insurer.



The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2020	March 31, 2019
Present value of the obligations at end	(26.61)	119.73
Fair value of plan assets	9.93	11.08
Deficit of funded plan	(16.68)	(8.65)
Unfunded plans	-	-
Deficit of gratuity plan	(16.68)	(8.65)

The principal assumptions used in determining defined benefit obligations are shown below:

Particulars	March 31, 2020	March 31, 2019
(i) Economic Assumptions	%	%
Discount rate	6.76	7.66
Future salary increases	FY 20-21: 0.00% FY 21-22: 5.00% Post FY 21-22: 10.00%	10.00

Particulars	March 31, 2020	March 31, 2019
(ii) Demographic Assumptions		
Retirement Age (Years)	60	60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Ages	Withdrawal Rate %	
Up to 30 Years		30
From 31 to 44 years		30
Above 44 years		30

A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:

Assumptions	March 31, 2020		March 31, 2019	
	Discount rate	0.5% increase	Discount rate	0.5% increase
Sensitivity Level		0.5% decrease		0.5% decrease
Impact on defined benefit obligation	(0.46)	0.47	0.43	(0.42)

A quantitative sensitivity analysis for significant assumption as at March 31, 2019 is as shown below:

Assumptions	March 31, 2019		March 31, 2019	
	Discount rate	0.5% increase	Discount rate	0.5% increase
Sensitivity Level		0.5% decrease		0.5% decrease
Impact on defined benefit obligation	(0.35)	0.36	0.32	(0.32)

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, 2021 are INR 8.39 (March 31, 2020 - 6.79)

The weighted average duration of the defined benefit obligation is 2.76 (March 31, 2019 - 2.76)

The expected maturity analysis of gratuity is as follows:

	March 31, 2020	March 31, 2019
Within the next 12 months (next annual reporting period)	4.65	3.24
Between 1-2 years	5.26	2.62
Between 2 and 5 years	9.50	6.07
Beyond 5 years	7.20	7.80
Total expected payments	26.61	19.73



Risk exposure

Through its defined benefit plans, the Company 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:

Particulars	March 31, 2020		March 31, 2019	
	Amount	In %	Amount	In %
Government securities	4.49	45.22	4.52	40.79
Non convertible debentures/ Corporate bonds	4.42	44.51	5.77	52.12
Others	1.02	10.27	0.79	7.09
Total	9.93	100.00	11.08	100.00



27. Income Tax

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are

Standalone Statement of Profit and Loss:

	March 31, 2020	March 31, 2019
Current income tax:		
Current income tax charge	0.05	0.12
Adjustments in respect of current income tax of previous year expense/(credit)	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the Standalone Statement of Profit and Loss	0.05	0.12

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

	March 31, 2020	March 31, 2019
Accounting profit before income tax including discontinued operations	(2,833.13)	(3,959.52)
Tax at India's statutory income tax rate of 25.17% (31 March 2019: 31.20%)	(713.04)	(1,235.37)
Tax expense during the year for One97 Employee Welfare Trust (Refer note 25)	0.05	0.12
Other non-deductible expenses	5.11	(0.74)
Losses on which deferred taxes not recognised*	535.45	1,202.71
Unabsorbed depreciation on which deferred taxes not recognised*	24.71	26.76
Other temporary differences on which deferred taxes not recognised*	147.77	6.65
Income tax expense reported in the statement of profit and loss	0.05	0.12

Deferred tax relates to the following:

	March 31, 2020		March 31, 2020 Movement in statement of Profit and Loss	March 31, 2019	
	Temporary Differences	Tax		Temporary Differences	Tax
Deferred tax liabilities					
Accelerated depreciation for tax purposes	-	-	(9.32)	(29.87)	(9.32)
Unrealised gain on investments	(45.77)	(11.52)	(23.94)	(113.65)	(35.46)
Deferred tax assets					
Unabsorbed depreciation	45.77	11.52	33.26	143.52	44.78
Net deferred tax assets/(liabilities)*	Nil	Nil	Nil	Nil	Nil

* Deferred tax has been recognised to the extent of available deferred tax liabilities since it is not probable that taxable profits will be available against which the unutilised tax losses and temporary differences can be utilised, as assessed at March 31, 2020 and March 31, 2019.

Deductible temporary differences for which no deferred tax asset is recognised in the Standalone Balance Sheet:

Particulars	Expiry Date (Year ending March 31,)	As of March 31, 2020	As of
			March 31, 2020 Tax impact @ 25.17%
Tax Losses	2023	331.61	83.46
	2024	1,494.29	376.08
	2025	717.55	180.59
	2026	1,340.99	337.50
	2027	3,763.81	947.28
	2028	2,127.50	535.45
Total tax losses		9,775.75	2,460.36
Unabsorbed depreciation	No expiry period	285.32	71.81
Other temporary differences		922.49	232.17
Total		10,983.56	2,764.34

Particulars	Expiry Date (Year ending March 31,)	As of March 31, 2019	As of
			March 31, 2019 Tax impact @ 31.20%
Tax Losses	2023	331.61	103.46
	2024	1,494.29	466.22
	2025	717.55	223.87
	2026	1,340.99	418.39
	2027	3,763.81	1,174.31
	2028	2,127.50	668.25
Total tax losses		7,648.25	2,386.25
Unabsorbed depreciation	No expiry period	89.39	27.89
Other temporary differences		433.16	135.15
Total		8,170.80	2,549.29



28. Commitments and contingencies**a. Leases****(i) Operating lease: Company as Lessee**

The Company has taken certain office space on operating lease. Rental expense towards leases charged to Standalone Statement of Profit and Loss for the year ended March 31, 2020 amount to INR 5.88 (March 31, 2019 INR 17.89).

The company 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. On renewal, the terms of the leases are renegotiated. From April 1, 2019, the group has recognised right-of-use assets for these leases, except for short-term leases, see note 2.2p for further information.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2020	March 31, 2019
Not later than one year	-	16.26
Later than one year but not later than five years	-	17.02
Later than five years	-	-
Total	-	33.28

(ii) Operating lease: Company as Lessor

The Company has given point of sale (POS) machine on operating lease. Rental income towards leases recognised in Standalone Statement of Profit and Loss for the year ended March 31, 2020 amount to INR 31.28 (March 31, 2019 INR Nil).

b. Capital commitments

Estimated amount of contracts towards property, plant & equipment remaining to be executed on capital account and not provided for is INR 86.96 (Net of capital advance of INR 5.22) [March 31 2019: INR 39.75 (Net of capital advances of INR 1.97)].

c. Contingent liabilities

	March 31, 2020	March 31, 2019
i) Claims against the Company not acknowledged as debts	46.54	6.44
Total	46.54	6.44

ii) The Company has contingent liability towards Bank Guarantees amounting to INR 377.31 (March 31, 2019: INR 263.32).

iii) The Company 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 Standalone Financial Statements.

Notes:

1) It is not practicable for the Company to estimate the timing of cash outflows, if any.

2) The Company does not expect any reimbursements in respect of the above contingent liabilities.



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Notes to the Standalone Financial Statements for the year ended March 31, 2020

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29. Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

	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	9.99	10.27
- Interest due on above	0.12	0.17
	<u>10.11</u>	<u>10.44</u>
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	-	-
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, for payment already made	1.22	0.80
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	45.86	38.92

Total Outstanding dues of micro and small enterprises is INR 11.33 (March 31, 2019: INR 11.24).



30. Fair value

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company'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, 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				
Investment in Equity shares	2.65	-	-	2.65
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference	59.67	-	-	59.67
Investment in Equity shares	13.20	-	-	13.20
Investment in Mutual Funds	2,192.60	2,192.60	-	-
Derivative Assets at fair value through Profit and loss				
Derivative Asset	20.93	-	-	20.93

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				
Investment in Equity Shares	3.03	-	-	3.03
Investments at fair value through Profit and loss				
Investment in Compulsorily Convertible Preference	89.58	-	-	89.58
Investment in Equity Shares	7.58	-	-	7.58
Investment in Mutual Funds	2,373.60	2,373.60	-	-

The management 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, borrowings and other financial liabilities, approximate their carrying amounts

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31. Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company'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 Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

(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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company'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 Company's loss before tax due to the impact on floating rate borrowings.

As at	March 31, 2020	March 31, 2019
Effect on loss before tax:		
I-Base*- decrease by 50 bps	(1.01)	(3.48)
I-Base*- increase by 50 bps	1.01	3.48

*ICICI Bank Base Rate

Other financial assets and liabilities of the Company are either non-interest bearing or fixed interest bearing instruments, the Company'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 Company's borrowings while assuming all other variables to be constant.



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Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Price risk

The Company invests its surplus funds in various debt instruments and debt mutual funds. These comprise of primarily liquid schemes of 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 on the Company's loss before tax:

	Change in NAV	Effect on loss before tax
March 31, 2020	0.25%	(7.89)
	-0.25%	7.89
March 31, 2019	0.25%	(6.18)
	-0.25%	6.18

The Company is also exposed to equity/ preference shares price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss (refer note 7(a) and 7(b)). To manage its price risk arising from investments in equity/ preference shares, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company.



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(iii) Foreign currency risk

The Indian Rupee is the Company's most significant currency. As a consequence, the Company'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 Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The carrying amounts of the Company's financial assets and liabilities denominated in United States Dollar (USD), and Canadian Dollar (CAD) are as follows:

	As at March 31, 2020		As at March 31, 2019	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Amount in USD Crores	0.56	0.33	0.71	0.26
Amount in CAD Crores	0.78	-	1.47	0.87

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.

	Change in USD rate	Effect on loss before tax
March 31, 2020	10% strengthening of USD against INR	(1.96)
	10% weakening of USD against INR	1.60
March 31, 2019	10% strengthening of USD against INR	(3.48)
	10% weakening of USD against INR	2.85

The following tables demonstrate the sensitivity of profit or loss to a reasonably possible change in CAD and exchange rates, with all other variables held constant.

	Change in CAD rate	Effect on loss before tax
March 31, 2020	10% strengthening of CAD against INR	(4.63)
	10% weakening of CAD against INR	3.79
March 31, 2019	10% strengthening of CAD against INR	(3.41)
	10% weakening of CAD against INR	2.79

The Company's exposure to foreign currency changes for all other currencies is not material.

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 Company'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 Company is exposed to credit risk from its operating activities (primarily trade receivables) 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 entity's 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 Company is exposed to credit risk in the event of non-payment by customers. Customer credit risk is managed subject to the Company'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.

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2020

Ageing in years	0-1	1-2	2-3	>3	Specific	Total
Gross carrying amount- trade receivables	316.94	19.23	11.05	16.11	71.86	435.19
Expected loss rate (%)	2.51	37.13	58.86	88.29	100	
Expected credit losses (Loss allowance provision)- trade receivables	7.97	7.14	6.50	14.22	71.86	107.69
Carrying amount of trade receivables (net of impairment)	308.97	12.09	4.55	1.89	0.00	327.50

Expected credit loss for trade receivable under simplified approach- year ended March 31, 2019

Ageing in years	0-1	1-2	2-3	>3	Specific	Total
Gross carrying amount- trade receivables	231.83	16.03	7.30	9.82	51.44	316.42
Expected loss rate (%)	2.24	17.17	77.94	93.08	100	
Expected credit losses (Loss allowance provision)- trade receivables	5.19	2.75	5.69	9.14	51.44	74.21
Carrying amount of trade receivables (net of impairment)	226.64	13.28	1.61	0.68	0.00	242.21



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Reconciliation of loss allowance	Loss allowance measured at 12 month expected loss
Loss allowance as on April 1, 2018	61.52
Creation during the year	12.69
Loss Allowance as on March 31, 2019	74.21
Creation during the year	33.48
Loss Allowance as on March 31, 2020	107.69

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

(ii) Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds is made only with banks of high repute.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as disclosed in Note 7.

Reconciliation of loss allowance	Loss allowance measured at 12 month expected loss
Loss allowance as on April 1, 2018	13.87
Creation during the year	10.47
Loss Allowance as on March 31, 2019	24.34
Creation during the year	2.28
Loss Allowance as on March 31, 2020	26.62



c. Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans etc. Company 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 Company'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 Company also monitors compliance with its debt covenants. The maturity profile of the Company's financial liabilities based on contractual undiscounted payments is given in the table below:

Particulars	0-180 days	181-365 days	More than 1 year	Total
As at March 31, 2020				
Borrowings	193.43	7.66	-	201.09
Lease liability	15.50	18.60	169.90	204.00
Trade payables	573.38	-	-	573.38
Other financial liabilities	199.15	-	-	199.15
Total	981.46	26.26	169.90	1,177.62
As at March 31, 2019				
Borrowings*	695.50	-	26.96	722.46
Trade payables	673.28	-	-	673.28
Other financial liabilities*	694.56	4.62	-	699.18
Total	2,063.34	4.62	26.96	2,094.92

*Includes Deferred payment liabilities of INR 36.91 to Noida Authority in respect of land acquired on finance lease and in current year this is presented as lease liability on account of adoption of Ind AS 116 w.e.f April 1, 2019.



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32. Discontinued Operations

During the previous year, on April 9, 2018, shareholders of the Company approved the transfer of online gaming business forming part of Cloud segment 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 56.93% (March 31, 2019: 55%) shares held by Paytm Entertainment Limited (wholly owned subsidiary of the Company) and 43.07% shares held by AGTech Media Holdings Limited. The 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 33.91. The net liabilities of the business transferred were INR 8.29. The Company had recognised a gain of INR 42.20 which had been disclosed as exceptional gain in the Standalone Statement of Profit and Loss.

The results of Gaming business for the year are presented below:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue	-	1.53
Expenses (Including INR Nil (March 31, 2019: 0.11) for share based payment expenses)	-	6.84
Profit/ (Loss) for the year before tax from discontinued operations	-	(5.31)
Income Tax expense	-	-
Profit/ (Loss) for the year after tax from discontinued operations	-	(5.31)

The net cash flows incurred by Gaming business are as follows:-

	For the year ended March 31, 2020	For the year ended March 31, 2019
Operating	-	(5.31)
Investing	-	33.91
Financing	-	-
Net cash inflow/(outflow)	-	28.60



Details of the gaming business sold:-

	For the year ended March 31, 2020	For the year ended March 31, 2019
Consideration Received		
Cash	-	33.91
Carrying amount of the net liability sold	-	8.29
Gain on sale before income tax	-	42.20
Income tax expense on gain	-	-
Gain on sale after income tax*	-	42.20

* The entire amount is attributable to equity holders of the company

The carrying amount of assets and liabilities as at the date of sale (June 1, 2018) were as follows:-

	Carrying Amount
Property, plant and equipment	0.09
Total assets	0.09
Trade Payable	7.07
Other current liabilities	1.31
Total liabilities	8.38
Net assets	(8.29)

33. Capital Management

The Company'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 Company'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 Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

Company's capital management objective is to remain majorly a debt-free company till the time it achieves break-even. In order to meet this objective, Company 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 Company's operating and investing activities. The company utilizes certain working capital facilities in the form of short term bank overdraft and term loans to meet anticipated interim working capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.



34. Segment Reporting

The Board of Directors (chief operating decision maker or CODM) monitor the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss before tax from continuing operations.

For management purposes, the Company is organized into business segments based on its services and has four reportable segments, as follows:

- Payments: Includes the services provided by acting as a payment facilitator to third party merchants and money transfer facilitator to consumers.
- Commerce: Includes acting as an aggregator for digital product like movie, deal, online travel aggregator and provision of services like advertisement, brand promotion and technical support.
- Cloud: Includes provision of services to client for their various business needs like hosting services, marketing services.
- Others: Includes other businesses of the Company like wealth management services.

No operating segments have been aggregated to form the above reportable segments.

The Online Gaming business was included in the 'Cloud' segment in Company's operating segments until June 1, 2018, being the date on which transfer of Online Gaming business was consummated. Being a discontinued operation, this business is no longer presented within the Cloud segment. The information about this discontinued segment is provided in note 32.

Segment assets comprise assets directly managed by each segment, and primarily include receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development. Segment liabilities primarily include operating liabilities. Segment assets/ liabilities are measured in the same way as in the Standalone financial statements. These assets/ liabilities are allocated based on the operations of the segment and the physical location of the asset.

The Company has revenues primarily from customers domiciled in India. Substantially all of the Company's non-current operating assets are domiciled in India. There is no inter segment revenue.

Information about major customers

1. Revenues of INR 875.24 (March 31, 2019 INR 927.75) are derived from an external customer. These revenues are attributed to the Payments segment.
2. Revenues of INR 647.32 (March 31, 2019 INR 992.48) are derived from another external customer. These revenues are attributed to the Payments and Commerce segment.

Adjustments and eliminations

- (i) Other income including fair value gains and losses on financial assets and finance costs are not allocated to individual segments as the underlying instruments are managed at Company level.
- (ii) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Company level.



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Impact of change in accounting policy on segment reporting

The adoption of new leasing standard described in note 2.2p had the following impact on the segment disclosures in the current year:

	Payments	Commerce	Cloud	Others	Unallocated	Total
Segment result (increase in profit)	29.12	2.88	2.04	0.51	-	34.55
Increase in depreciation and amortization expense	25.68	2.54	1.80	0.45	-	30.47
Increase in interest expenses	14.26	1.41	1.00	0.25	-	16.92



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Particulars	Payments		Commerce		Cloud		Others		Unallocated		Total	
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2020	Year Ended March 31, 2019
REVENUE												
External Sales	1,885.38	1,734.24	920.53	1,064.46	286.72	230.09	22.47	21.08	-	-	3,115.10	3,049.87
Total revenue	1,885.38	1,734.24	920.53	1,064.46	286.72	230.09	22.47	21.08	-	-	3,115.10	3,049.87
Segment result	(2,483.22)	(2,583.70)	32.11	(1,552.65)	79.46	68.91	(162.65)	(24.38)	(5.64)	(20.80)	(2,539.94)	(4,091.82)
Unallocated expenses									(17.76)		(17.76)	(20.80)
Operating loss												
Interest expenses	(18.87)	-	(1.41)	-	(1.00)	-	(0.25)	-	(24.03)	(16.50)	(2,557.70)	(4,112.62)
Interest income									131.47	112.37	(45.56)	(16.50)
Other income									104.02	229.37	131.47	112.37
Depreciation and amortisation	(124.37)	(55.79)	(5.67)	(6.31)	(11.47)	(12.56)	(0.72)	(0.43)	(0.95)	(0.72)	104.02	229.37
Exceptional items	-	-	(293.67)	(130.66)	-	42.20	(28.51)	(2.56)	-	-	(143.18)	(75.81)
Tax Expense	-	-	-	-	-	-	-	-	0.05	0.12	(322.18)	(91.02)
Loss after tax from continuing operations											(2,833.18)	(3,954.33)



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Particulars	Payments		Commerce		Cloud		Others		Unallocated		Total	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
OTHER INFORMATION												
Segment assets	2,163.45	3,007.09	1,156.46	773.48	462.94	298.02	248.11	124.53	-	-	4,030.96	4,203.12
Unallocated assets												
-Investment											3,370.68	2,565.30
-financial assets #											2,006.40	1,004.82
-Income tax asset											484.08	438.64
-Other unallocated assets##											614.90	451.25
Total assets	2,163.45	3,007.09	1,156.46	773.48	462.94	298.02	248.11	124.53	6,476.06	4,480.01	10,507.02	8,683.13
Segment liabilities*	908.59	1,555.36	750.58	143.61	74.53	58.90	19.24	5.12	0.00	-	1,752.94	1,762.99
Unallocated liabilities												
-Borrowing											128.18	722.46
-Other unallocated liabilities##											214.45	161.65
Total liabilities	908.59	1,555.36	750.58	143.61	74.53	58.90	19.24	5.12	342.63	884.11	2,095.57	2,647.10
Additions to Non Current Assets (Other than financial assets)**	261.00	140.50	25.77	82.53	21.58	10.05	4.56	1.04	52.99	288.62	365.90	522.74
Provision for doubtful debts**	9.13	10.19	-	1.54	24.35	13.23	-	-	-	-	33.48	24.96

* Borrowing of INR 72.91 included in segment liabilities - payments segment

** Represents numbers for the year ended March 31, 2020 and March 31, 2019

Includes INR 233.75 (March 31, 2019; INR 356.86) receivable for sale of Marketplace business to Paytm E-Commerce Private Limited and INR 27.50 (March 31, 2019; INR 40.98) for sale of Wallet business to Paytm Payments Bank Limited

Other unallocated assets includes balances with government authorities and leasehold land. Other unallocated liabilities includes statutory dues



35. Details of Transactions and outstanding balances of Paytm E-Commerce Private Limited (PEPL)**Details of transactions entered during the year**

	March 31, 2020	March 31, 2019
Rendering of services to PEPL	392.06	992.48
Other operating revenue - Recovery of marketing expense	255.26	-
Reimbursement of expenses incurred on behalf of PEPL	114.09	144.86
Interest Income on unwinding of Discount	22.13	31.66
Services received from PEPL	50.00	25.25
Sale of Property, Plant & Equipment	0.19	-
Purchase of Property, Plant & Equipment	0.45	21.28

Details of outstanding balances

	March 31, 2020	March 31, 2019
Other Financial Assets	693.83	405.66
Trade payables	-	9.54
Other Financial Liability	7.15	43.22
Contract liabilities	622.49	339.06
Trade Receivable	19.32	1.80

36. Overdue outstanding foreign currency receivable and payable

The Company has foreign currency payable balances aggregating to INR 0.06 and INR 0.13 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, as of March 31, 2020. The Company 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 21, 2019, November 25, 2019 and February 24, 2020. The Company also has foreign currency receivable balances aggregating to INR 25.88 and INR 0.53 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 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, May 14, 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 letters dated March 28, 2019. Management does not expect any material financial implication on account of the delays under the existing regulations.

37. Transfer pricing

The Company 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. For this purpose, the Company 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 for the year ended March 31, 2019 has been completed which did not result in any material adjustment.



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38. Corporate Social Responsibilities (CSR) expenditure

The 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 the current financial year by the Company. However, the Company has spent an amount of INR 0.82 (March 31, 2019: INR 1.59) as CSR expenditure.

For Price Waterhouse Chartered Accountants LLP

Firm registration number: 012754N/ N500016

Amitesh Dutta
Amitesh Dutta

Partner

Membership No: 058507

Place: *Gurgaon*

Date: *August 2, 2020*

**For and on behalf of Board of Directors of
One97 Communications Limited**

Vijay S.S.
Vijay Shekhar Sharma

Chairman and Managing Director

DIN No. 00466521

Place: Noida

Date: May 22, 2020

Vikas Garg
Vikas Garg

Chief Financial Officer

Place: Noida

Date: May 22, 2020

Arvind Kumar Singhania
Arvind Kumar Singhania

Company Secretary

Place: Noida

Date: May 22, 2020

